

In Step with You:

*Navigating Today.
Defining Tomorrow.*



WHAT'S INSIDE



IN STEP
WITH YOU...

03

WHO
WE ARE

04

KEY FINANCIAL
HIGHLIGHTS

05

MESSAGE FROM
MANAGING
DIRECTOR & CEO

06

BOARD OF
DIRECTORS AND
MANAGEMENT
TEAM

08

MANAGEMENT
DISCUSSION &
ANALYSIS

10

DIRECTORS'
REPORT

14

FINANCIAL
SECTION

39





A journey of a thousand
miles begins with a single
step — taken together.





In Step with You:

*Navigating Today.
Defining Tomorrow.*

At SBM Bank India, our journey is shaped by walking alongside our customers — understanding their needs, adapting to their realities, and empowering their ambitions. In a world of constant change, we remain committed to being present, responsive, and future-ready.

Navigating Today means being agile and accessible — delivering seamless banking experiences through a thoughtful blend of technology and human connection. Whether supporting corporate clients, digital-first users, or globally savvy customers, we continue to optimise resources, deepen relationships, and expand our reach across both digital and physical channels.

Defining Tomorrow is about building a legacy of innovation, inclusion, and impact. As India moves towards a digitally empowered future, we invest in scalable technologies, nurture talent, and foster partnerships that enable financial progress for individuals and enterprises alike.

With over three million customers and 22 branches as of March 31, 2025, our story is one of perseverance, purpose, and progress. Every step we take is guided by the belief that true value is created not just by delivering results, but by enabling others to achieve theirs.

Together, we are not just keeping pace — we are shaping the future of banking.



Who we are

India's youngest foreign bank and first universal Bank under RBI's wholly Owned Subsidiary route is in its seventh year of operations in India. Present in India since 1994, SBM Bank India commenced its India operations under WOS route on December 1, 2018. The amalgamation of agile technology and banking expertise has enabled us to develop and deliver unique products with distinct propositions. As part of a multinational group, we also offer seamless solutions to leverage our parent's Asia and Africa market presence and experience.

50 + Years of Brand Legacy

Strength of **700+** employees.

3 Million + customers in India

22 branches

SBM Bank India is a part of the global banking conglomerate SBM Group having a footprint of over 5 decades.

SBM Group

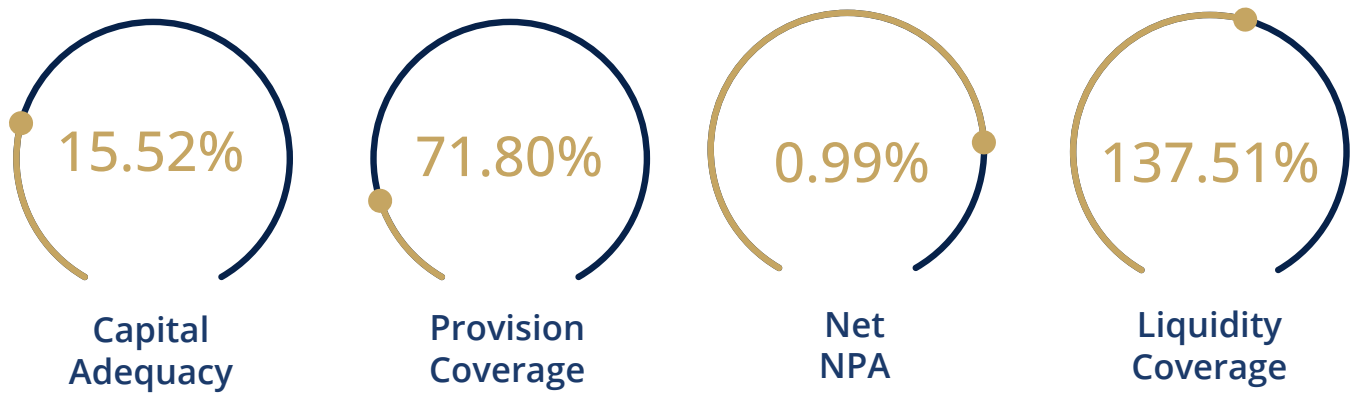
The SBM Group is a leading banking and financial services player in Mauritius, contributing to the country's socio-economic development since its inception in 1973. It is actively involved in the Asia-Africa corridor by means of dedicated banking subsidiaries operating in India, Madagascar and Kenya. The Group is committed to creating long-term value for its stakeholders by offering bespoke solutions to individual, corporate and institutional clients in the banking and non-banking financial fields in Mauritius and internationally. The Group's subsidiaries are guided by clear strategic orientations to grow their businesses, while preserving the soundness of their operations. The SBM Group is the third-largest listed entity on the Stock Exchange of Mauritius, with a market capitalisation of MUR 15.7 billion as at 31 December 2024. It is the holding company of various subsidiaries that operate under three clusters: Banking, Non-Banking-Financial and Non-Financial. The SBM Group has over 100 branches, with more than 3,300 employees across various geographical locations where it has physical presence.



Key Financial Highlights

FY 2024-25

Ratios



Net Interest Income
₹195.76 Crore



Total Advances
₹4,653.63 Crore



Total Assets
₹9,583.25 Crore



Net Worth
(after exceptional items)
₹734.32 Crore



CASA
₹1,557.08 Crore



Note: Net worth includes paid-up Capital and Reserves (excluding revaluation reserves)



MESSAGE FROM MANAGING DIRECTOR & CEO

“

Growth is never by mere chance;
it is the result of forces
working together.

”

James Cash Penney

Dear Stakeholders,

The financial year 2024-25 marked a pivotal chapter in our journey—one defined by strategic reorientation and renewed momentum. True to the spirit of the quote above, our progress has been the result of deliberate, collaborative effort across every part of the organisation. We have focused on becoming leaner, stronger, and faster across three critical dimensions: cost, compliance, and go-to-market strategy.

This recalibration was not merely tactical—it was foundational to building a sustainable future. Our long-term growth vision is anchored in three core pillars: Profitability, People, and Process. Allow me to briefly expand on each.

Profitability: Building a Sustainable Financial Model

Over the past three years, we've remained firmly committed to profitability—driven by strategic discipline and focused execution. Our key initiatives include:

- Cost rationalization across departments to enhance operational efficiency
- Embed fiscal discipline into our organizational culture
- Execute strategic expansion aligned with long-term growth objectives

This approach has enabled us to strengthen our presence while maintaining financial resilience. We opened six new branches across India, including our first in Odisha and Madhya Pradesh, marking a significant milestone in our expansion journey. As we enter the next phase of our growth journey, our focus is sharper than ever—on delivering holistic solutions that drive operational efficiency and embed compliance into our core processes. Our digital-first approach continues to evolve—empowering us to deliver seamless, secure, and hyper-personalized banking experiences that resonate with today's growing and agile users. These are individuals and enterprises who value agility, relevance, and simplicity across every financial interaction.



Simultaneously, our global banking capabilities continue to deepen relationships with India’s globally connected citizens—offering seamless cross-border solutions, personalized banking experience, and secure digital experiences.

People: Investing in Intellectual Capital

At SBM Bank India, investing in high-quality talent is non-negotiable. Over the past two years, we have:

- Recruited experienced professionals across key functions
- Worked diligently on fostering a culture of innovation, openness, and performance
- Continued to build a vibrant blend of experience and energy across the organisation

Our proactive HR practices continue to shape a future-ready workforce aligned with our strategic goals. By delivering business-focused solutions, we’re unlocking new opportunities for Team SBM Bank, across the entire client lifecycle. As we scale, we remain committed to exploring optimal avenues for accessing growth capital—while nurturing our most valuable asset: our people.

Process: Strengthening Governance and Compliance

Robust processes form the backbone of our operations. We have taken decisive steps to reinforce our governance and compliance framework by:

- Implementing strong internal controls and risk-mitigation frameworks
- Prioritising regulatory compliance across all functions
- Continuously refining operational systems and tech platforms to support our evolution into a full-scale bank

Our product portfolio too has matured significantly—now serving retail, corporate, wealth, and globally connected clients with India linkages through a suite of competitive and smart financial solutions.

Looking Ahead

As India progresses steadily toward becoming a \$5 trillion economy, we see immense opportunity for a young, agile and differentiated institution such as SBM Bank India. Our strategic focus remains on:

- Delivering segment-specific solutions that meet evolving customer needs
- Upholding compliance as a core operating principle
- Scaling through bite-sized, incremental improvements that drive sustainable growth
- Keeping the customer at the centre of everything we do, ensuring relevance and impact across every touchpoint

FY 2024-25 was defined by our commitment to doing the small things right—consistently and steadily. These disciplined efforts are beginning to yield tangible results. While our peak lies ahead, we are clearly on the course toward realizing our profitability vision for 2030.

We remain deeply grateful to our customers, employees, and shareholders for their unwavering support. Together, we are shaping a future built on resilience, performance, and enduring value.

Yours sincerely,
Ashish Vijayakar
Managing Director & CEO

Board of Directors



Mr. Raoul Gufflet
Non-Independent
Non-Executive Director



Mr. Umesh Jain
Independent Director



Ms. Mariam Rajabally
Non-Independent
Non-Executive Director



Mr. Abizer Diwanji
Independent Director



Ms. Pallavi Kanchan
Independent Director



**Mr. Anantha Subrahmanya
Dhananjaya**
Independent Director



Mr. Sanjeev Lall
Additional (Non-Executive)
Independent Director



Mr. Aakash Kalachand
Additional Non-Independent
Non-Executive Director



Mr. Ashish Vijayakar
Managing Director & CEO



Mr. Amit Jagdhari
Executive Director & CFO



Management Team



Mr. Ashish Vijayakar
Managing Director & CEO



Mr. Amit Jagdhari
Executive Director & CFO



Mr. Prakash Jaiswal
Head - Corporate Banking



Mr. Mandar Pitale
Head - Financial Markets



Mr. Satya Prakash Sarangi
Chief Risk Officer



Mr. Sabyasachi Ganguly
Chief Compliance Officer



Ms. Smita Nair
Head - Internal Audit



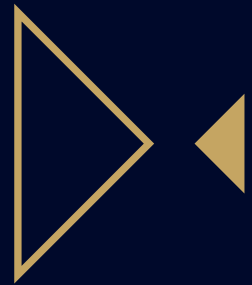
Ms. Sajitha Pillai
Head - Human Resources



Mr. Pravin Bhosle
Chief Information Officer

A blue-tinted photograph of a business meeting. In the foreground, a person's hands are visible, one holding a pen and the other pointing at a document. The document contains various financial charts, including bar graphs and line graphs. A laptop is open to the left, displaying similar data. In the background, another person is standing and looking at the documents. The overall scene suggests a collaborative work environment focused on data analysis.

MANAGEMENT DISCUSSION & ANALYSIS



GLOBAL ECONOMIC OVERVIEW

The global economy in FY 2024-25 operated under a complex interplay of structural transitions, geopolitical shifts, and monetary recalibrations. While global growth stabilised after the turbulence of previous years, momentum remained fragile and uneven. The International Monetary Fund (IMF) projected global GDP growth at approximately 3.1% for 2024, a modest improvement driven primarily by select emerging markets and developing economies.

Advanced economies continued to grapple with higher interest rates, persistent core inflation, and subdued consumer sentiment. The United States maintained its focus on anchoring inflation, while the Eurozone and the United Kingdom faced tepid growth amidst lingering energy market disruptions and fiscal consolidation efforts. Geopolitical tensions and volatile commodity prices added to global uncertainty.

Global trade volumes remained below pre-pandemic averages, with supply chain realignments underway as economies pursued greater resilience through nearshoring and diversification. Financial markets experienced intermittent volatility, reflecting central banks' divergent policy paths and investor caution.

INDIAN ECONOMIC OVERVIEW

India sustained its position as one of the fastest-growing major economies, with an estimated GDP growth of over 6.8% in FY 2024-25. The country demonstrated considerable resilience amidst global headwinds, underpinned by strong domestic consumption, sustained infrastructure spending, and healthy financial sector performance.

The Government of India's focus on capital expenditure, manufacturing incentives (such as the PLI schemes), and digitisation continued to bolster medium-term growth prospects. Inflation remained within the Reserve Bank of India's (RBI) tolerance band for most of the year, aided by a normal monsoon and calibrated monetary action. Headline retail inflation averaged around 5.4% for the year, allowing the RBI to maintain a balanced policy stance.

Private consumption showed early signs of revival in rural areas, supported by improved agricultural output and government transfers. Meanwhile, urban consumption remained buoyant, with sectors such as housing, personal mobility, and travel showing sustained demand. The MSME sector, a cornerstone of India's economic fabric, witnessed credit expansion and formalisation, with banks and fintechs increasingly targeting this segment.

BANKING SECTOR OVERVIEW

The Indian banking sector exhibited resilience, adaptability, and robust capital buffers throughout FY 2024-25. Regulatory reforms, improved governance, and tighter underwriting standards contributed to a strengthening of the overall banking landscape. Gross and net non-performing assets (NPAs) across the system declined to their lowest levels in over a decade, supported by recoveries and enhanced risk management.

Credit growth remained steady, led by retail, MSME, and infrastructure segments. Digital banking adoption continued to surge, with Unified Payments Interface (UPI) transaction volumes touching new highs. Banks also deepened their collaborations with fintech players to deliver customer-centric, real-time, and embedded finance solutions.





At the same time, increased regulatory focus on cybersecurity, customer protection, and ESG compliance required continuous investments in technology, governance, and people. The sector also braced for ongoing challenges, including margin compression, heightened competition, and evolving supervisory expectations.

STRATEGIC INITIATIVES AND OPERATIONAL FOCUS

Despite the subdued financial outcomes, SBM Bank India maintained consistent efforts undertook several strategic initiatives aimed at building long-term capabilities:

- Technology and Digital Transformation:** The Bank continued modernising its core banking infrastructure, revamped the existing Backup infra as well as the AWS-based architecture, implemented stringent compliance tools to adhere to external as well as internal regulations and enhanced digital onboarding and API strategies through its Smart Banking platform. This is expected to improve cost efficiencies and customer experience over the medium term.
- Compliance and Governance:** The Bank has further strengthened its regulatory and compliance architecture, with a sharp focus on Anti-Money Laundering (AML), Know Your Customer (KYC), and
- cybersecurity protocols.** Robust internal controls and proactive early warning systems have been implemented to ensure operational resilience and uphold governance standards.
- Customer-Centric Approach:** The Bank continued to advance its micro-segmentation strategy, delivering highly tailored solutions for both Retail and Corporate clientele. These offerings span digital platforms with enhanced features, and cater to High Net Worth Individuals (HNIs), affluent resident clients, and cross-border segments. SBM Private, the Bank's dedicated wealth management arm, further expanded its HNI portfolio through bespoke solutions designed to meet evolving client needs.
- Community Engagement:** In FY 2025, the Bank undertook a series of targeted CSR initiatives aimed at uplifting underprivileged communities, mainly focusing on the following key areas:
 - Promotion of healthcare and Sanitation: Improving health and nutritional outcomes by sponsoring programs that provided targeted nutritional care to children under six years of age and young mothers from economically disadvantaged communities.

- **Promotion of Education and Skills Development:** Enhancing access to quality education and foundational learning by sponsoring edu-care programs for school children from economically disadvantaged backgrounds.
- **Setting up Old Age Homes, Day Care Centres and such other facilities for Senior Citizens:** Sponsoring programs providing care and support services for the elderly in senior day-care centres.
- **Promotion of Livelihood Enhancement Projects:** Supporting small and marginal farmers through provision of subsidized fruit and flower saplings, along with training in modern agricultural practices.

Following a detailed review, CSR funds were strategically deployed through carefully vetted partners and NGOs, selected via a comprehensive onboarding process. A focused emphasis was placed on regions where the Bank has a branch presence, enabling strong local engagement, effective oversight, and robust monitoring mechanisms to ensure successful implementation of all projects.

OUTLOOK

The outlook for FY 2025–26 is one of measured optimism. While global uncertainties and regulatory response will continue to weigh on short-term sentiment, the structural drivers of India's growth remain intact. Although the weakening of global economic outlook could impact overall growth through weaker external demand, India's domestic growth engines represented by consumption and investment, are relatively less susceptible to external developments. SBM Bank India remains committed to improving profitability by optimising its asset-liability mix, further rationalising costs, and focusing on risk-adjusted return strategies.

The Bank is confident that its continued investment in digital innovation, people development, and governance will yield measurable improvements in performance and resilience. As India advances towards becoming a USD 5 trillion economy, SBM Bank India aims to be an agile and responsible partner in enabling financial empowerment for individuals and enterprises alike.



A person in a dark suit is holding a pen in their right hand and a tablet in their left. A glowing blue checklist with five items, each marked with a checkmark, is superimposed over the person's torso. The background is dark and out of focus.

DIRECTORS' REPORT



DIRECTORS' REPORT

To,
The Members,
SBM Bank (India) Limited

Dear Shareholders,

The Board of Directors of SBM Bank (India) Limited (herein referred to as **"your Company"** or **"the Bank"**) are pleased to present the Eighth (8th) Report on the business and operations of the Bank together with the Audited Financial Statements for the year ended March 31, 2025.

FINANCIAL PERFORMANCE

The highlights of the financial performance for the year under review, are presented below:

(₹ in '000)

Particulars	FY 2024-25	FY 2023-24
Deposits and Other Borrowings	8,31,99,825	7,83,98,211
Advances	4,65,36,277	4,67,62,048
Total Income	91,65,715	93,95,102
Profit / (Loss) before Depreciation and Taxation	(5,69,796)	(1,72,575)
Less: Depreciation	302,209	226,540
Profit/(Loss) before Taxes	(8,72,005)	(3,99,115)
Less: Tax Expense	-	33,356
Profit/(Loss) after tax	(8,72,005)	(4,32,471)
Add: Balance B/F from the previous year	(31,53,624)	(27,26,867)
Less: Appropriations		
Transfer to Statutory Reserves	-	-
Transfer to Capital Reserves	26,305	11,120
Transfer to Investment Fluctuation Reserve	(2,42,188)	(16,834)
Balance carried over to Balance Sheet	(38,09,746)	(31,53,624)

DIVIDEND

Considering accumulated losses, the Board does not recommend any dividend for FY 2024-25.

TRANSFERS TO RESERVES

The Board has appropriated the following amounts to Reserves & Surplus:

(₹ in 000's)

Transfer to Statutory Reserves	-
Transfer to Capital Reserve	26,305
Transfer to Investment Fluctuation Reserve	(2,42,188)

CAPITAL ADEQUACY RATIO (CAR)

As on March 31, 2025, the total CAR of the Bank, calculated in line with Basel III capital regulations, stood at 15.52% which is well above the regulatory minimum of 11.50% including the Capital Conservation Buffer of 2.5%. Of this, Tier I CAR was 11.64%.

NETWORTH

The Bank's net worth as on March 31, 2025, computed in accordance with the Reserve Bank of India regulations, is as follows:

Particulars	₹ in 000's
Capital	100,11,375
Retained Earnings	3,20,098
Statutory Reserve	5,04,055
Capital Reserve	1,44,958
Investment Fluctuation Reserve	95,557
Share Premium	3,58,209
Balance in Profit and Loss Account	(38,09,746)
Less: Deferred Tax Assets (Net)	-
Less: Intangible asset	(3,08,522)
Net worth as on March 31, 2025	73,43,196

STATE OF AFFAIRS

The information on the affairs of the Bank has been given in the Management Discussion and Analysis Report forming part of the Annual Report.

SHARE CAPITAL

During the year under review, on June 13, 2024, the Board of Directors of the Bank approved raising of funds amounting to ₹79,99,99,992 (Rupees Seventy-Nine Crore Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred and Ninety-Two only) by issue of 7,97,60,717 (Seven Crore Ninety-Seven Lakh Sixty Thousand Seven Hundred and Seventeen) equity shares, having a face value of ₹10 (Rupees Ten Only) each at an issue price of ₹10.03/- per equity share (which includes premium of Re. 0.03/- paise on each share, by way of rights issue to the existing equity shareholder i.e. SBM (Bank) Holdings Ltd. ("SBMBH"), Holding Company, in existing equity proportion. The said equity shares were allotted to SBMBH on June 25, 2024.

With such equity infusion by way of rights issue, the issued, subscribed and paid-up share capital of the Bank as on March 31, 2025, stood at ₹10,01,13,75,110 (Rupees One Thousand One Crore Thirteen Lakh Seventy-Five Thousand One Hundred and Ten only) comprising 1,00,11,37,511 (Hundred Crore Eleven Lakh Thirty-Seven Thousand Five Hundred and Eleven) equity shares of ₹10 (Rupees Ten only) each, fully paid.

TIER 2 NON-CONVERTIBLE DEBENTURES

The Bank had issued Debt securities during FY 2022-23, which were outstanding as on March 31, 2025, as per the details incorporated in the following table:

ISIN No.	Issuance Date	Maturity Date	Coupon Rate	Amt. issued. (₹ in crores)	Amt. Outstanding (₹ in crores)
INE07PX08019	April 05, 2022	April 05, 2032	9.75% per annum	₹125	₹125
INE07PX08027	January 24, 2023	January 24, 2033	9.88% per annum	₹99	₹99

The funds raised through issuance of NCDs were utilized as per the objects stated in the Information Memorandum of the respective NCDs.

Axis Trustee Services Limited acts as the Debenture Trustee for the aforesaid Debt Securities. The detail of Debenture Trustee is as under:

Address: The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar (W), Mumbai – 400 028.

Email Id.: debenturetrustee@axistrustee.com

CREDIT RATING

During the year under review, ICRA Limited ('ICRA') vide its communication dated February 28, 2025, re-affirmed the ratings of the Basel-III Compliant Tier-II bond programme at [ICRA]A (Outlook was at Stable).

Further, CARE Ratings Limited ('CARE') vide its communication dated August 21, 2024, downgraded the ratings of the Basel-III Compliant Tier-II bond programme to [CARE] A from [CARE] A+ (Outlook was revised from Negative to Stable)

CHANGE IN NATURE OF BUSINESS

During the year ended March 31, 2025, there has been no change in the nature of business of the Bank.

The Bank continued to engage in providing banking and financial services as a Banking Company governed by the Banking Regulation Act, 1949. The Bank currently offers a complete suite of corporate, consumer, wealth and retail banking services in addition to providing Treasury and Trade Financing Products and Services.

The branch network of the Bank comprises 22 branches located across India including footprints in Nariman Point and Andheri (East) in Mumbai, Vashi - Navi Mumbai, Galtare, Ten Naka, Abitghar Khupari in Palghar, Bangalore, Chennai, New Delhi, Pune, Chandigarh, Hyderabad, RC Puram, Ahmedabad, Kolkata, Ludhiana, Surat, Indore Bhubaneswar, and Bhuj. The distribution channels of the Bank also include the use of Business Correspondents.

CHANGES IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Bank is a wholly owned subsidiary of SBM (Bank) Holdings Ltd., as per the Companies Act, 2013 ("the Act"). During the year under review, the Bank has a Nil reporting under change in subsidiary company / joint venture / associate companies.

DEPOSITS

Being a Banking Company, the disclosures relating to deposits as required under Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014, read with Sections 73 and 74 of the Act, are not applicable to the Bank.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE BANK

There were no material changes and commitments affecting the financial position of the Bank, between the end of the fiscal year of the Bank to which the financial statements relate and up to the date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Bank is constantly pursuing its goal of upgrading technology to deliver quality services to its customers in a cost-effective manner. Particulars regarding conservation of energy, technology absorption, foreign exchange earnings and outgo are given as **Annexure A** to this Report.

ANNUAL RETURN

The Annual Return for FY 2024-25 is hosted on the website of the Bank i.e. at <https://www.sbmbank.co.in/aboutus/investor-corner.php>

CORPORATE SOCIAL RESPONSIBILITY

The annual report on Corporate Social Responsibility ("CSR") containing, details of CSR Policy, composition of CSR Committee, CSR projects undertaken and web-link thereto on the website of the Bank, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is set out under **Annexure B** to this Report.

STATUTORY AUDITORS

The Members of the Bank at their 7th Annual General Meeting ("AGM") held on September 20, 2024, appointed M/s. Gokhale & Sathe., Chartered Accountants, Mumbai (Firm Registration Number 103264W), as the Statutory Auditors of the Bank, to hold office from the conclusion of 7th AGM until the conclusion of the 10th AGM, to be held in FY 2027-28.

The Auditors have confirmed that they are not disqualified from continuing to act as Statutory Auditors of the Bank and that they comply with the eligibility criteria/ requirements specified under the Reserve Bank of India ("RBI") Circular for FY 2024-25.

STATUTORY AUDITORS' REPORT

The Statutory Auditors' Report issued by M/s. Gokhale & Sathe, Chartered Accountants, does not contain any qualification, reservation or adverse remark on the financial statements of the Bank for the year ended March 31, 2025. The notes on financial statements referred to in the Statutory Auditors' Report are self-explanatory and do not call for any further comments. Further, pursuant to Section 143(12) of the Act, the Statutory Auditors of the Bank have not reported any instances of fraud committed in the Bank by its officers or employees.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Proper Internal Financial Controls are in place and the financial controls are adequate and are operating effectively. Further, the Statutory Auditors have, in compliance with the requirements of the Act, issued an opinion with respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, the details of which may be referred to in the independent auditor's report attached to the financial statements of FY 2024-25.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Pratik Pujara & Associates, Practicing Company Secretaries, as Secretarial Auditor to undertake the Secretarial Audit of the Bank for FY 2024-25.

The Secretarial Audit Report issued by the Secretarial Auditor has been appended as **Annexure C** to this Report.

The said Secretarial Audit Report contains qualifications as below:

Sr. No.	Observation	Management Response
1.	Notices and/or draft resolutions along with necessary papers, notes to agenda, and draft minutes were not circulated to certain Directors, which constitutes a deviation from the prescribed Secretarial Standards.	We acknowledge the observation regarding the non-circulation of notices, draft resolutions, and related documents to certain Directors, which is a deviation from the requirements of the applicable Secretarial Standards. This lapse was purely inadvertent and occurred in a very limited number of instances. It was neither intentional nor systemic in nature. We deeply value the importance of adhering to Secretarial Standards and maintaining robust governance practices. To prevent any recurrence, appropriate and enhanced checks and balances has been instituted effective from FY 2025-26. These include strengthened internal workflows and periodic reviews. These measures are aimed at reinforcing compliance and upholding the highest standards of corporate governance going forward.
2.	The Bank has received a Supervisory Concerns Letter from the Reserve Bank of India vide Letter No. CO.DoS.SED.No. S6574/17.01.026/2024-2025 dated 11 th December 2024. The compliance status in respect thereof could not be ascertained, as the response to the said communication was not shared with us in view of RBI's directions restricting such information to the Board and Senior Management of the Bank.	The Inspection Reports of the Reserve Bank of India ("RBI") and the related remediation measures are treated as confidential and are not shared with any external parties. As a matter of practice, these documents were not shared with external auditors, including Secretarial Auditors. However, Compliance team has provided response to the RBI on January 24, 2025.

Sr. No.	Observation	Management Response
3.	The Audit Committee, as mandated under its terms of reference, is required to undertake an annual review of Related Party Transactions; however, no such annual review was undertaken during the period under review.	All the requisite disclosures pertaining to RPTs for FY 2024-25 have been duly incorporated in the Annual Financial Statements of the Bank. The Bank has closed Annual financial statements and placed it before the Audit Committee at its meeting held on May 28, 2025, and subsequently before the Board at its meeting held on May 30, 2025, in compliance with applicable statutory and regulatory requirements. From FY 2025-26, the Bank has initiated the practice of placing omnibus approvals before the Audit Committee. The limits of such omnibus approvals are reviewed and noted on a quarterly basis.
4.	The Bank filed Form MGT-14 for the resolution passed on November 8, 2024, relating to the alteration of the Object Clause of its Memorandum of Association, beyond the prescribed timeline stipulated under Section 117 of the Companies Act, 2013. The delay occurred as the said alteration was subject to prior approval from the Reserve Bank of India (RBI), which was received on December 19, 2024, and the form was subsequently filed on December 20, 2024. The delay, though procedural, was attributed to exceptional and uncontrollable circumstances arising from the dependency on regulatory approval.	An application to the Reserve Bank of India ("RBI") for alteration to the Object Clause of the Memorandum of Association of the Bank was submitted, subsequent to the passing of the resolution for the said alteration by the Members at the Extraordinary General Meeting held on November 08, 2024. The due date for filing the relevant form was December 07, 2024. However, the approval from RBI was received on December 19, 2024, and the form was subsequently filed on December 20, 2024.
5.	As per the terms of the Debenture Trust Deed (DTD) - Series 1 Agreement dated April 05, 2022, the Bank is required to disclose specified information in its quarterly and annual financial results filed with the Stock Exchange. It was observed that the financial results submitted did not include disclosures pertaining to the points mentioned below: (a) Credit rating of the Debentures or any revision thereof; (b) Previous due date(s) for payment of interest and/or principal and confirmation of (c) Payment status & forthcoming due date(s) for payment of interest and/or principal;	With reference to the Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit as under: Pursuant to the SEBI (LODR) (Sixth Amendment) Regulations, 2022, notified on November 14, 2022, the following disclosures under Regulation 52(4) have been omitted: • Credit rating of debentures or any revision thereof; • Previous due date(s) for payment of interest and/or principal and confirmation of payment status; • Forthcoming due date(s) for payment of interest and/or principal. Further, pursuant to the proviso to Regulation 52(4) if the information mentioned in sub-regulation (4) is not applicable to the listed entity, it shall disclose such other ratio/equivalent financial information, as may be required to be maintained under applicable laws, if any. Also, the following financial ratios specified under Regulation 52(4) are not applicable to the Bank, as confirmed by the Statutory Auditor in the quarterly Covenant Certificate issued to the Bank. • Debt service coverage ratio; • Interest service coverage ratio;

Sr. No.	Observation	Management Response
5.	(d) Debt service coverage ratio; (e) Interest service coverage ratio; (f) Current ratio; (g) Long-term debt to working capital; (h) Bad debts to accounts receivable ratio; (i) Current liability ratio and debtors turnover	• Current ratio; • Long-term debt to working capital; • Bad debts to accounts receivable ratio; • Current liability ratio; • Debtors turnover. It may also be noted that the Axis Trustee Services Limited, vide its email dated September 16, 2025, has seconded the view taken by the Bank in light of the aforesaid regulatory provisions. In view of the above, we hereby submit that although the Bank did not adhere to the provisions of the DTD and it remained compliant of the SEBI LODR.

MAINTENANCE OF COST RECORDS & COST AUDIT

The Bank is engaged in the banking business and is not required to maintain cost records and comply with the requirements of cost audit as prescribed under the provisions of Section 148(1) of the Act.

BOARD OF DIRECTORS

Board Composition

The composition of the Board of Directors of the Bank is governed by the Act, the Banking Regulation Act, 1949 ("BR Act") and is in conformity with the same. As of March 31, 2025, the Board of Directors comprised a combination of nine Directors viz., Mr. Ashish Vijayakar, Managing Director and Chief Executive Officer ("MD & CEO"), Mr. Amit Jagdhari, Executive / Whole-time Director & Chief Financial Officer ("ED & CFO / WTD & CFO"), Mr. Abizer Diwanji, Independent Director, Ms. Pallavi Kanchan, Independent Director, Mr. Anantha Subrahmanya Dhananjaya, Independent Director, Mr. Sanjeev Lall, Independent Director, Mr. Umesh Jain, Independent Director, Mr. Raoul Gufflet, Non-Independent & Non-Executive Director and Ms. Mariam Rajabally, Non-Independent & Non-Executive Director. The size of the Board is commensurate with the size and business of the Bank. The Board mix provides a combination of professionalism, knowledge and experience required in the banking industry.

Change in composition of the Board during the year

At the Seventh AGM of the Bank held on September 20, 2024, the Members approved the re-appointment of Mr. Raoul Gufflet (DIN: 09194722) as a Non-Executive and Non-Independent Director, liable to retire by rotation, for a term of four years i.e. from June 16, 2024, to June 15, 2028.

Mr. R. Amalorpavanathan (DIN: 06941432) completed his term as an Independent Director of the Bank with effect from closure of business hours of September 15, 2024. Accordingly, Mr. Pavanathan ceased to be an Independent Director and a Member of the Board of Directors of the Bank. Your Board places on record its sincere appreciation for the contribution made by him during his tenure with the Bank and wishes him well in future endeavours.

Mr. Ameet Patel (DIN: 00726197) has completed his term as an Independent Director of the Bank with effect from closure of business hours of September 20, 2024. Accordingly, Mr. Patel ceased to be an Independent Director and a Member of the Board of Directors of the Bank. Your Board places on record its sincere appreciation for the contribution made by him during his tenure with the Bank and wishes him well in future endeavours.

Ms. Sudha Ravi (DIN: 06764496) has completed her term as an Independent Director of the Bank with effect from closure of business hours of October 31, 2024. Accordingly, Ms. Ravi ceased to be an Independent Director and a Member of the Board of Directors of the Bank. Your Board places on record its sincere appreciation for the contribution made by her during her tenure with the Bank and wishes her well in future endeavours.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee ("NRC") and approval of the RBI vide its letter dated December 10, 2024, approved the appointment of Mr. Amit Jagdhari (DIN: 10738364) as Whole-Time Director & Key Managerial Personnel, who is internally designated as ED & CFO of the Bank for a period of three years with effect from December 18, 2024. The said appointment was approved by the Members of the Bank at the 13th Extra Ordinary General Meeting ("EOGM") held on February 06, 2025.

Mr. Abdul Sattar Adam Ali Mamode Hajee Abdoula (DIN: 01724586), resigned from the office of Part-Time Chairman ("PTC") and Independent Director of the Bank with effect from December 16, 2024, citing pre-occupation and other personal commitments.

Mr. Shyam Sundar Barik (DIN: 08184820) completed his term as an Independent Director of the Bank with effect from closure of business hours of February 25, 2025. Accordingly, Mr. Barik ceased to be an Independent Director and a Member of the Board of Directors of the Bank. Your Board places on record its sincere appreciation for the contribution made by him during his tenure with the Bank and wishes him well in future endeavours.

The Members at the 7th AGM of the Bank held on September 20, 2024, approved:

- the appointment of Mr. Abizer Diwanji (DIN: 02540442) as an Independent Director of the Bank for a period of four years, with effect from August 09, 2024, not liable to retire by rotation;
- Ms. Pallavi Kanchan (DIN: 07545615) as an Independent Director of the Bank for a period of four years, with effect from September 09, 2024, not liable to retire by rotation; and
- Ms. Mariam Rajabally (DIN: 10648323) as a Non-Independent Director and Non-Executive of the Bank for a period of three years, with effect from May 29, 2024, liable to retire by rotation.

Mr. Anantha Subrahmanya Dhananjaya (DIN: 01744569) was appointed as an Additional (Non-Executive) Independent Director for a period of four years with effect from October 28, 2024, not liable to retire by rotation. The said appointment was approved by the Members of the Bank at the 12th EOGM held on November 08, 2024.

Mr. Sanjeev Lall (DIN: 08740906) was appointed as an Additional (Non-Executive) Independent Director of the Bank for a period of four years, with effect from March 17, 2025, not liable to retire by rotation, based on the recommendation of the NRC and subject to the approval of the Members. The approval of the Members is being sought at the ensuing Eighth AGM of the Bank. The details of Mr. Sanjeev Lall are included in the Notice convening the Eighth AGM of the Bank.

Owing to the resignation of Mr. Abdul Sattar Adam Ali Mamode Hajee Abdoula from the position of PTC of the Bank, the Board of Directors, based on the recommendation of the NRC, vide resolution passed by circulation on April 22, 2025, approved the candidature of Mr. Rohit Ramnawaz for the position of Independent Director and PTC of the Bank. Subsequently, the Bank made an application to RBI for the appointment of Mr. Rohit Ramnawaz as PTC of the Bank.

Meanwhile, the Board of Directors, based on the recommendations of the NRC, vide resolution passed by circulation on May 09, 2025, appointed Mr. Rohit Ramnawaz (DIN: 11098667) as an Additional (Non-Executive) Independent Director of the Bank for a period of four years, with effect from May 09, 2025, not liable to retire by rotation subject to the approval of the Members. Further, RBI vide its letter dated July 14, 2025, which was formally communicated to Bank on July 16, 2025, approved the appointment of Mr. Rohit Ramnawaz to act as PTC of the Bank. However, in meantime, while the application pertaining to his appointment as PTC was under process with RBI, Mr. Rohit Ramnawaz was appointed as Director-General of the Mauritius Revenue Authority and due to the nature of the position, he was prohibited from engaging in any other remunerated function. Accordingly, he tendered his resignation, with effect from July 16, 2025, from the position of the Additional (Non-Executive) Independent Director of the Bank. Further, his resignation was placed and accepted by the Board at its meeting held on August 11, 2025. Your Board places on record its sincere appreciation for the contribution made by him during his tenure with the Bank and wishes him well in future endeavours.

Mr. Aakash Kalachand (DIN: 11161982) was appointed as an Additional (Non-Executive and Non-Independent) Director of the Bank for a period of four years, with effect from June 25, 2025, liable to retire by rotation, based on the recommendation of the NRC and subject to the approval of the members. The approval of the members is being sought at the ensuing Eighth AGM of the Bank. The details of Mr. Aakash Kalachand are included in the Notice convening the Eighth AGM of the Bank.

REMUNERATION POLICY AND CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT OF DIRECTORS

Your Bank has in place a Policy for remuneration of Directors and Key Managerial Personnel along with a well-defined criteria for the selection of candidates for appointment on the said positions, duly approved by the Board of Directors. The Nomination and Remuneration Policy is also available on the website of the Company at <https://www.sbmbank.co.in/notice-board/policies>.

DIRECTORS RETIRING BY ROTATION

In accordance with Section 152 of the Act read with the Articles of Association of the Bank, Ms. Mariam Rajabally is liable to retire by rotation at the ensuing AGM and being eligible has offered herself for re-appointment. The Board recommends the same for the approval of the Members.

DECLARATION FROM INDEPENDENT DIRECTORS

The Bank has received declarations from all its Independent Directors, confirming that they meet the criteria of independence as prescribed under Section 149(6), read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, the Independent Directors appointed during the year under review are persons with integrity and possess the requisite experience, expertise and proficiency required under applicable laws and the policies of the Bank.

All the Independent Directors of the Bank have complied with the provisions of sub rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 with respect to registration with the Indian Institute of Corporate Affairs for the Independent Directors' Database.

BOARD EVALUATION

Evaluation of the performance of all Directors is undertaken annually. The Bank has implemented a Policy setting out procedure and system of evaluating performance of the Board, its Committees, Chairperson and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects. At a separate meeting of Independent Directors, the performance of non-independent directors, performance of the board as a whole, and performance of the Chairperson were evaluated. The Board of Directors has expressed its satisfaction with the evaluation process.

KEY MANAGERIAL PERSONNEL

As on March 31, 2025, the following officials of the Bank are the Key Managerial Personnel ("KMP"), pursuant to the provisions of Section 203 of the Act and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Designation
Mr. Ashish Vijayakar	MD & CEO
Mr. Amit Jagdhari	ED & CFO
Mr. Mehul Somaiya	Company Secretary

1. Mr. Dipak Agarwal ceased to be the Deputy CEO and Head of Business (KMP) with effect from July 31, 2024.
2. Mr. Saileshkumar Shah ceased to be the Chief Financial Officer and KMP of the Bank with effect from October 01, 2024.
3. Mr. Sujit Pandey, Executive Vice President – Finance was appointed as interim CFO of the Bank for a period of three months, commencing from October 01, 2024, till December 31, 2024, or till the new CFO joins the Bank, whichever is earlier. Mr. Pandey ceased to be the interim CFO with effect from December 18, 2024.
4. Pursuant to the Reserve Bank of India (RBI) Notification No. RBI/2023-24/70 DOR.HGG.GOV.REC.46/ 29.67.001/ 2023-24 dated October 25, 2023, on "Appointment of Whole-Time Directors", Mr. Amit Jagdhari (DIN: 10738364) was appointed as Whole-Time Director & KMP of the Bank for a period of three years. The appointment was approved by Members of the Bank at the 13th EOGM held on February 06, 2025. Further, Mr. Amit Jagdhari was also appointed as the Chief Financial Officer of the Bank, with effect from December 18, 2024.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, Eleven Board Meetings were convened and held, and not more than one hundred and twenty days had elapsed between two consecutive Board meetings. Complete details of the Meetings of the Board and Committees are attached as **Annexure D**.

WHISTLE BLOWER POLICY / VIGILANCE MECHANISM

As part of Bank's commitment to implement and maintain adequate corporate governance standards and transparency in the Bank, we have implemented Whistle Blower, Vigilance policies and frameworks with the objective of creating a vigil mechanism for directors and employees to report genuine concerns appropriately.

The framework is aligned with RBI's Protected Disclosure Scheme and provisions of Section 177 of the Act read with rules frame thereunder.

AUDIT COMMITTEE

The Audit Committee comprises of the following Directors as on March 31, 2025:

Name	Category
Mr. Abizer Diwanji – Chairman (appointed with effect from November 01, 2024)	Non-Executive, Independent Director
Mr. Umesh Jain – Member	Non-Executive, Independent Director
Mr. Anantha Subrahmanya Dhananjaya – Member (appointed with effect from March 27, 2025)	Non-Executive, Independent Director
Ms. Mariam Rajabally - Member (appointed with effect from November 01, 2024)	Non-Executive, Non-Independent Director

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11) of the Act, the provisions of Section 186 of the Act, except sub-section (1), do not apply to a loan made, guarantee given or security provided by a Banking Company in the ordinary course of its business.

RELATED PARTY TRANSACTIONS

During the year under review, all contracts/arrangements/transactions entered into by the Bank with related parties were in ordinary course of business and on an arm's length basis. There were no material related party transactions by the Bank during the year under review. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable.

All related party transactions as required under Accounting Standard AS-18 are reported in note no. 21 of Notes to Accounts of financial statements of the Bank.

RISK MANAGEMENT FRAMEWORK

The Bank has put in place a robust Risk Management framework to identify, measure, manage, and mitigate risks emanating from business and opportunities. This framework seeks to create transparency, minimise adverse impact on the business strategy, reporting & monitoring, Governance and enhance the Bank's competitive advantage. This risk framework thus helps in managing, credit, operational, market, IT and emerging risks and quantifies potential impact at a Company level. While the Board is responsible for framing, implementing and monitoring the risk management framework, it has delegated its powers relating to monitoring and reviewing of risks associated with the business of the Bank to the Risk Management Committee. The Bank also has a well-defined Fraud Risk Monitoring framework and the Fraud Monitoring Committee of the Board of Directors to oversee the matters related to fraud risk. The Bank has also identified and reviewed the wilful defaulters.

The Bank is committed to a very strong and impeccable risk culture. The Risk culture of the Bank may be defined as the norms, attitudes and behaviours related to risk awareness, risk taking and risk management. This is reflected in the manner the Bank identifies, assesses, and manages risk matters. The Bank has set for itself a robust risk culture in which the staff identifies, manages, and escalates risk and control matters, and owns their responsibilities around risk management. All employees must discharge their responsibilities, as a part of the risk management framework defined by the Bank.

Within the overarching risk management principles, which the bank follows, risk appetite captures the amount of risk that the Bank is prepared to take, considering the risk capacity to grow in a sustained manner and achieve the business objectives. Our risk capacity is calibrated by the regulatory stipulations and our obligations to the stakeholders.

Further, information on the risk management process of the Bank is contained in the Management Discussion & Analysis Report which forms part of the Annual Report.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The management's discussion and analysis report, forms part of the annual report of the Bank.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Bank endeavors to comply with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India from time to time.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In accordance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 ("POSH Act"), your Bank has commitment to provide healthy and respectful work environment for the employee free from all forms of workplace sexual harassment. The Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

The following is a summary of Sexual Harassment complaint(s) received and disposed off during the FY 2024-25, pursuant to the POSH Act and Rules framed thereunder:

- a) Number of complaint(s) of Sexual Harassment received during the year – Nil
- b) Number of complaint(s) disposed off during the year – Nil
- c) Number of cases pending as at March 31, 2025 – Nil

COMPLIANCE ON MATERNITY BENEFIT ACT, 1961

The Bank has complied with the applicable provisions of Maternity Benefit Act, 1961 for female employees of the Bank with respect to leaves and maternity benefits thereunder.

NUMBER OF EMPLOYEES AS ON THE CLOSURE OF FINANCIAL YEAR

As at March 31, 2025, the total employee strength of the Bank stood at 748, comprising 508 male employees and 240 female employees.

SCHEDULE V DISCLOSURES:

The following disclosures are required to be given as per Schedule V of the Companies Act, 2013:

Sr. No.	Particulars	Mr. Ashish Vijayakar (MD & CEO)	Mr. Amit Jagdhari (ED & CFO)
1.	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors*	As per the Explanatory Statement attached to AGM Notice	As per the Explanatory Statement attached to AGM Notice
2.	Details of fixed components and performance linked incentives along with the performance criteria*	As per the Explanatory Statement attached to AGM Notice	As per the Explanatory Statement attached to AGM Notice
3.	Service Contract	Three Years from the closure of Business hours of February 16, 2024	Three Years from the December 18, 2024
4.	Notice Period	Nil	Nil
5.	Severance fee	Nil	Nil
6.	Stock Options	Nil	Nil

*Other Independent Directors and Non-Executive Directors (Except Mr. Raoul Gufflet) is entitled for the payment of Sitting fees only for attending Board/ Committee meetings.

OTHER DISCLOSURES

1. The Reserve Bank of India ("RBI") vide its letter dated May 31, 2024, imposed a monetary penalty of INR 88.70 Lakh for non-compliance with licensing conditions imposed by the RBI.
2. Pursuant to the condition stipulated by the Securities and Exchange Board of India while issuing license to the Bank to act as the Banker to issue, the Board of Directors at its Meeting held on October 28, 2024, has amended the Object clause of Memorandum of Association ("MOA") of the Bank to enable the Bank to act as a Banker to issue. The said amendment to the Object clause of MOA was approved by the Members at the 12th EOGM of the Bank held on November 08, 2024.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Bank;
4. Neither any application was made, nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 against the Bank.
5. The RBI vide compounding order CA No. MUM1859/2025 dated August 05, 2025, levied a compounding amount of ₹78,667/- (Rupees Seventy-Eight Thousand Six Hundred Sixty-Seven only).

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, your Directors, based on the representations received from the Operating Management, confirm that;

- a) Your Bank has, in the preparation of the annual accounts for the financial year ended March 31, 2025, followed the applicable Accounting Standards along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Bank as at March 31, 2025, and of the loss of the Bank for that period;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis;
- e) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Further, statutory auditors have, in compliance with the requirements of the Act, issued an opinion with respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, details of which may be referred to in the independent auditor's report attached to the financial statements of FY 2024-25.

ACKNOWLEDGMENT

Your Directors would like to place on record their sincere appreciation for the assistance and co-operation received from the Reserve Bank of India, Financial Institutions, Banks, National Stock Exchange of India Limited, Debenture Trustee, other Regulators, Government authorities, customers, vendors and members during the year under review.

The Bank would like to take this opportunity to express sincere thanks to its valued clients and customers for their continued patronage during the year. The Directors also wish to place on record their deep sense of appreciation for the committed services by the Bank's executives, staff and workers.

**For and on behalf of the Board of Directors of
SBM BANK (INDIA) LIMITED**

Amit Jagdhari
ED & CFO
(DIN: 10738364)

Abizer Diwanji
Independent Director
(DIN: 02540442)

Place: Mumbai
Date: September 19, 2025

ANNEXURE A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Conservation of Energy:

As the Company is a Banking Company, the particulars regarding conservation of energy as required to be disclosed pursuant to provision of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant to its activities. However, the Bank has been taking several steps towards conservation of energy.

b. Technology Absorption

SBM Bank India continuously focusses on digitisation and technological innovations embedded onto its information technology systems and processes with an objective to streamline banking operations, enhance customer experience and ensure efficient and secure banking services.

Key areas where Information Technology is currently being leveraged by SBM Bank India are as below:

- **Core Banking System:** SBM Bank India utilises a robust core banking system powered by IT infrastructure. This system manages the Bank's primary operations, including customer accounts, deposits, withdrawals, transfers, and other banking transactions. It provides real-time data integration, allowing customers to access their accounts and perform transactions online or through various digital applications. At present approximately 8 million financial transactions are being processed by the Core Banking System every month. In addition to this, considering future business projections - The Bank is in the process of re-architecting its existing Core Banking System that would facilitate Next-Generation core banking platform.
- **Online and Mobile Banking:** SBM Bank India offers online and mobile banking services that enable customers to access their accounts, view balances, initiate fund transfers through NEFT, IMPS & UPI, pay bills, and manage various banking activities remotely. These services leverage secure IT systems to ensure data privacy and protect against unauthorised access.
- **Payment Systems:** Modern payment systems that uses cash substitute as compared to traditional payment systems have been enabled for customers of SBM Bank India. The Bank utilises electronic funds transfer mechanisms such as Real-Time Gross Settlement (RTGS), National Electronic Funds Transfer (NEFT), Immediate Payment Service (IMPS), Unified Payments Interface (UPI) developed by National Payments Corporation of India (NPCI), SWIFT (that allows send/receive electronic payments internationally) and Aadhaar Enabled Payment System (AePS) to facilitate seamless and secure fund transfers between accounts within the Bank and other financial institutions.
- **Card Management System (CMS):** SBM Bank India offers and manages a wide variety of cards such as Debit, Credit & Prepaid cards across RuPay, VISA & Mastercard payment networks. At present Bank has setup the card management system on SBM owned dedicated virtual private cloud (VPC) with ease of integration across various systems, inbuilt Information security checks and platform that supports ease of operations.
- **Digital Transformation across Retail, Corporate Banking & Treasury products:** SBM Bank India has been working towards various Digital Transformation initiatives. These Innovations will open more business avenues, enhance the Client experience with faster processing and ensure better governance and automation in operations.
- **Corporate Internet Banking -** SBM Bank India offers Corporate Internet Banking platform to its corporate customers for carrying out online business transactions, securely and conveniently from the comfort of their home or office. The corporate internet banking portal facilitates various features of Balance Inquiry, Funds Transfer (within and to other Banks), FD/RD, Tax payment, Bulk Payments Upload etc. With internet banking services at fingertips, we aim to ensure convenience and security on the platform.

- **Smart Banking (Bank's own organic journey through Mobile App)** – With the launch of the Smart Banking platform, customers will have a direct onboarding access and avail various banking features through a link hosted on Bank's Website. Bank is also in the process of launching its Smart Banking Mobile App that would be supported on Android & iOS operating systems and through which customers can directly avail onboarding features of Bank and carry out anywhere anytime banking.
- **eTrade Portal** – We have implemented a Digital Online Platform that would facilitate all Trade Finance Products & Fx remittances to customers.
- **Derivatives Implementation** – This is a Banking Automation for enabling the new Business avenues which will allow Bank to transact a wide variety of products across Foreign Exchange, Fixed Income, Interest Rates, Equities and Structured Products with integrated Liquidity & Risk Management.
- **Supply Chain Financing Portal** – SBM Bank India is now working towards building a digital solution that would allow Bank to manage various supply chain finance products such as Dealer Finance, Vendor Finance, etc, generating business for the Bank.
- **Digital Document execution Platform** – Bank has implemented a digital document execution platform. This will automate and benefit the Customers for e-Sign and e-Stamping of Loan Documents reducing the time consumed in physical paperwork, logistics and manual data entry. This portal works with Nesl API integrations for digital execution of documents.
- **Customer Relationship Management (CRM)**: SBM Bank India employs CRM software to manage customer interactions, track customer preferences, and personalize services. This technology allows the bank to better understand customer needs and offer tailored financial products and services.
- **Security and Fraud Prevention**: IT infrastructure at SBM Bank India incorporates multiple layers of security to safeguard customer information, prevent fraud, and protect against cyber threats. These measures include DDOS protection, firewalls, intrusion detection systems, strong encryption protocols, and multi-factor authentication methods to ensure the confidentiality and integrity of sensitive data. SBM Bank India also ensures real-time monitoring and reporting of network for any unusual activity trends is carried out through implementation of various security tools and measures.
- **Robust IT Infrastructure**: Efficiency, productivity, performance, and security are the fundamental keys to running a successful business, and they should be followed not only to keep up with market trends but also to gain a competitive advantage. In achieving these goals, IT infrastructure services of SBM Bank India has been designed to be robust and agile so that it can easily adapt to the market and technology changes at reduced costs. The launch of a well architected landing zone on Amazon Web Services (AWS) cloud environment has helped Bank in having a scalable and secured infrastructure platform to deploy various business applications. In addition to that we have also enabled Virtual Desktop Infrastructure (VDI) - a cutting-edge technology that utilizes virtual machines to manage and provide virtual desktops.
- **Unlocking Potential of APIs** – SBM Bank India uses Enterprise service bus (ESB) that enables an architecture for application interaction through APIs. ESB eliminates application silos by quickly integrating anything with everything and thereby accelerates the time-to-market by developing applications faster and re-using existing assets. Soon, Bank would aim at setting up a microservices based architecture that offers more dynamic and agile approach to developing, executing, and managing applications by working with modular components unlike the monolithic structure of applications build.
- **Data Analytics and Business Intelligence**: SBM Bank India utilizes IT tools for data analytics and business intelligence to gain insights into customer behaviour, identify trends, and make informed business decisions. This allows the bank to offer targeted financial products and services, improve operational efficiency, and enhance the overall customer experience. Bank is in the process of implementation of Enterprise Data Lake (EDL) that would act as a centralized repository designed to store, process, and secure large amounts of structured, semi structured, and unstructured data.

- **Compliance & Regulatory:** Banks regularly have to deal with a lot of regulatory compliance norms set up by the government or central banking agencies on a local/national or even on an international level. Keeping that into consideration SBM Bank India has deployed various audit, compliance, and risk management systems to ensure good compliance record, risk governance and regulatory reporting standardization. API based Anti-Money Laundering (AML) solution offers a single platform to perform Risk Profiling, List Screening, Know Your Customer and Reporting that helps detect and manage criminal economic activity and promote integrity and stability to the Bank. This avoids physical visit by Bank officials and reduces paper consumption of sharing reports on customer identification and authentication.

Other major applications pertaining to this area which have been rolled out in SBM Bank India are Enterprise Fraud Management System (EFRM) for monitoring of frauds, Suvidha as a centralized service desk solution for Incident, Service Request and Change Management, 'Automated Data Flow' (ADF), 'Non-performing Assets Monitoring' (NPA), 'Risk Assessment Model' (RAM) etc.

- **Other Digital Transformation Initiatives:** SBM Bank India actively embraces digital transformation initiatives to enhance operational efficiency and customer experience. These initiatives include digital onboarding through Video KYC, paperless transactions, and automation of internal processes. With regards to the setup of a repository to manage & store customer documents we have strengthened our digital capabilities to implement a centralized Document Management System that would make it digitally store documents in standardized file structures and formats, approved workflows, easy search, and retrieval mechanism, indexing along with adequate security.

Our journey towards leveraging technology to deliver efficient, secure, and customer-centric banking services continues and we would keep adopting emerging technologies and innovative IT solutions to stay competitive in the ever-evolving banking industry.

c. Foreign Exchange Earnings and Outgo

During the year, the total foreign exchange earned by the Bank was ₹ **68,611** thousand and the Foreign Exchange outgo was ₹ **7,80,677** thousand. (This does not include foreign currency cash flows in derivatives and foreign currency exchange transactions.)



ANNEXURE B

Annual Report on Corporate Social Responsibility 2024-25

(as prescribed under Section 135 of the Companies Act, 2013 and Companies
(Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on the CSR policy of the Company:

The primary purpose behind the Bank's CSR philosophy is to make a meaningful and measurable impact on the lives of economically, physically, and socially challenged communities of the country by supporting initiatives aimed at creating conditions suitable for sustainable livelihood and dignified living in these communities. To this effect the Bank's CSR objectives are as follows: (a) Promotion of healthcare and sanitation (b) Setting up Old Age Homes, Day Care Centres and such other facilities for Senior Citizens (c) Promotion of Education and Skills Development (d) Making available Safe Drinking Water (e) Promotion of Livelihood Enhancement Projects (f) Promotion of Agroforestry and Natural Resources' Conservation.

2. Turnover and Net worth of the Bank for FY 2024-25:

Particulars	Amount (In ₹)
Turnover	9,16,57,15,370.00
Net worth	7,34,31,95,628.00

3. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Abdul Sattar Adam Ali Mamode Hajee Abdoula ¹	Chairman (Former Part-Time Chairman and Independent Director)	1	1
2.	Ms. Sudha Ravi ²	Member (Former Independent Director)	1	1
3.	Ms. Sharon Ramdenee ³	Member (Former Independent Director)	1	1
4.	Ms. Mariam Rajabally ⁴	Chairperson	1	NA
5.	Mr. Ashish Vijayakar	Member (MD & CEO)	1	1
6.	Mr. Amit Jagdhari ⁵	Member (ED & CFO)	1	NA
7.	Mr. A. Dhananjaya ⁶	Member	1	NA
8.	Ms. Pallavi Kanchan ⁶	Member	1	NA

1. Ceased to be member of the Committee with effect from December 16, 2024.

2. Ceased to be member of the Committee with effect from October 31, 2024.

3. Ceased to be member of the Committee with effect from June 30, 2024.

4. Appointed as member of the Committee with effect from November 01, 2024, and subsequently appointed as Chairperson of the Committee with effect from March 27, 2025.

5. Appointed as member of the Committee with effect from March 27, 2025.

6. Appointed as members of the Committee with effect from November 01, 2024.

4. Web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

- a. Composition of the CSR committee: <https://www.sbmbank.co.in/aboutus/about-sbm-csr.php>
- b. CSR policy: https://www.sbmbank.co.in/aboutus/sbmaseest/pdf/policies/policy_10.pdf
- c. CSR projects: https://www.sbmbank.co.in/aboutus/sbmaseest/pdf/policies/policy_10.pdf

5. Executive Summary along with the web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not applicable

(a) Average Net Profit of the Company as per sub-section (5) of section 135: ₹ 13,94,67,544.79

(b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 27,89,350.90

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set-off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b) +(c) - (d)]: ₹ 27,89,350.90

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 28,00,000
(₹ 10,649.10 excess spent on CSR by SBM Bank (India) Limited)

Details as below:

- ₹ 10 lacs sponsorship extended towards Each One Educate One Foundation's edu-care program which was utilized towards meeting the expenses for the Academic Year 2024-25 for 10 children, from underprivileged backgrounds, enrolled in Grades 7 and 8 of such program. Such children hail from underprivileged backgrounds and were therefore supported by way of covering their expenses towards the residential education programs which include the students' basic daily requirements, such as food, clothing, housing, and all other necessary daily needs in addition to their tuition costs.
- ₹ 9 lacs extended towards Association for Nutrition and Development Action (ANNADA)'s food packet distribution programmes to provide nutritional care to children under 6 years, mothers, adolescent girls, school children (midday meals) and extremely economically weak segments. We have sponsored such nutritional support for 593 beneficiaries in the current FY over a period of three months.
- ₹ 6 lacs sponsorship to Dignity Foundation towards Care and Support for senior citizens. Dignity Foundation lends support to provide necessary care to keep the elderly engaged within the community. Dignity Foundation also provides cognitive engagement and help manage neuro-degenerative ailments through a network of day-care centres, dementia care centres and recreation centres.
- ₹ 3 lacs sponsorship extended towards Global Vikas Trust's initiative towards the support of farmers from poorer and underprivileged segments in Palghar, Maharashtra. Under this initiative, we supported provision of 12,000 subsidized saplings of mogra and mango to 28 farmers along with covering the costs of providing requisite training to farmers and monitoring sapling development.

(b) Amount spent in Administrative Overheads: Not Applicable.

(c) Amount spent on Impact Assessment, if applicable: Not applicable.

(d) Total amount spent for the Financial Year [(a) + (b) + (c)]: ₹ 28,00,000

(e) CSR amount spent or unspent for the Financial Year: As mentioned below

Total Amount Spent for the Financial Year 2024-25 (in ₹)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer
₹ 28,00,000	Nil	N.A.	N.A.	Nil	N.A.

(f) Excess amount for set-off, if any: None

Sr.No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	27,89,350.90
(ii)	Total amount spent for the Financial Year	28,00,000
(iii)	Excess amount spent for the Financial Year [(ii) - (i)]	10,649.10
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	None
(v)	Amount available for set off in succeeding Financial Years [(iii) - (iv)]	None

8. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY 2022-23	Nil	N.A.	27,00,000	7,32,000	July 27, 2023	Nil	N.A.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not Applicable

For and on behalf of the Board of Directors of
SBM BANK (INDIA) LIMITED

Mariam Rajabally
Chairperson, CSR Committee
Independent Director
(DIN: 10648323)

Amit Jagdhari
Member, CSR Committee
ED & CFO
(DIN: 10738364)

Place: Mumbai
Date: September 19, 2025

FORM NO MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 1ST APRIL 2024 TO 31ST MARCH, 2025
[Pursuant to Section 204(1) of the Companies Act 2013 and rule No.9 of Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SBM Bank (India) Limited,
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SBM Bank (India) Limited** (hereinafter called the "Bank"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the SBM Bank (India) Limited books, papers, minute books, forms and returns filed and other records maintained by the Bank and also the information provided by the Bank, its officers, agents and authorized representatives during the conduct of the secretarial audit, the explanation provided to us and the representations made by the Management, we hereby report that in our opinion, the Bank has, during the audit period covering the financial year ended on 31st March 2025, complied with the statutory provisions listed hereunder and also that the Bank has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, reports issued by various fellow professionals and other applicable records maintained by the Bank for the Financial Year ended on **31st March, 2025** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FEMA), Overseas Direct Investment and External Commercial Borrowings, **to the extent applicable;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;- **Not Applicable as no reportable event during the year under review;**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;- **Not Applicable as no reportable event during the year under review;**
 - e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not applicable as the Bank is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable as the Bank has not delisted/proposed to delist its securities from any stock exchange during the financial year under review;**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not applicable as the Bank has not bought back/proposed to buy back any of its securities during the financial year under review;

- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **to the extent applicable**
- vi. The Management has identified and confirmed compliances with certain laws as specifically applicable to the Bank as per **Annexure - A** which forms part of this report.

We have also examined compliance with the applicable clauses of the following:

- i) While the Bank generally complied with the applicable provisions of Secretarial Standards – 1 & 2, issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs under Section 118(10) of the Companies Act, 2013, it was observed during the year under review that, in certain instances relating to Board Meetings and resolutions passed by circulation, **notices and/or draft resolutions along with necessary papers, notes to agenda, and draft minutes were not circulated to certain Directors, which constitutes a deviation from the prescribed Secretarial Standards.**
- ii. The Listing Agreements entered by the Bank with National Stock Exchange of India Limited (NSE);

During the period under review the Bank has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the observations and Qualification detailed in this report:

1. ***T1. The Bank has received a Supervisory Concerns Letter from the Reserve Bank of India vide Letter No. CO.DoS.SED.No.S6574/17.01.026/2024-2025 dated 11th December 2024. The compliance status in respect thereof could not be ascertained, as the response to the said communication was not shared with us in view of RBI's directions restricting such information to the Board and Senior Management of the Bank.***
2. ***The Audit Committee, as mandated under its terms of reference, is required to undertake an annual review of Related Party Transactions; however, no such annual review was undertaken during the period under review.***
3. ***The Bank filed Form MGT-14 for the resolution passed on November 8, 2024, relating to the alteration of the Object Clause of its Memorandum of Association, beyond the prescribed timeline stipulated under Section 117 of the Companies Act, 2013. The delay occurred as the said alteration was subject to prior approval from the Reserve Bank of India (RBI), which was received on December 19, 2024, and the form was subsequently filed on December 20, 2024. The delay, though procedural, was attributed to exceptional and uncontrollable circumstances arising from the dependency on regulatory approval.***
4. ***As per the terms of the Debenture Trust Deed (DTD) – Series 1 Agreement dated April 05, 2022, the Bank is required to disclose specified information in its quarterly and annual financial results filed with the Stock Exchange. It was observed that the financial results submitted did not include disclosures pertaining to the points mentioned below:***
 - ***credit rating of the Debentures or any revision thereof;***
 - ***previous due date(s) for payment of interest and/or principal and confirmation of payment status & forthcoming due date(s) for payment of interest and/or principal;***
 - ***debt service coverage ratio;***
 - ***interest service coverage ratio;***
 - ***current ratio;***
 - ***long-term debt to working capital;***
 - ***bad debts to accounts receivable ratio;***
 - ***current liability ratio and debtors turnover***

We further report that:

The Board of Directors of the Bank is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. In line with the Reserve Bank of India (RBI) Circular dated 25th October, 2023, mandating banks to have a minimum of two Whole-Time Directors (WTDs), including the Managing Director & CEO, on their Boards within four months from the date of the circular, the Board, at its meeting held on 15th February, 2024, approved the appointment of Mr. Dipak Agarwal as WTD, subject to prior approval of the RBI, and submitted the requisite application on 23rd February, 2024. However, before the approval could be obtained, Mr. Dipak Agarwal resigned from the organization, and the proposal was consequently withdrawn. Thereafter, RBI, vide its email dated 20th June, 2024, advised the Bank to submit a fresh proposal for the appointment of a WTD by 15th August 2024. Accordingly, the Board, at its meeting held on 9th August, 2024, approved the appointment of Mr. Amit Jagdhari as WTD, subject to RBI approval, and upon receipt of the same, he was appointed as Whole-Time Director with effect from 18th December, 2024.

Adequate notice was generally provided to all Directors for scheduling meetings of the Board and its Committees. However, in a few instances related to Board Meetings and resolutions passed by circulation, it was observed that **notices and/or draft resolutions along with necessary papers and notes to agenda were not circulated to certain Directors, which constitutes a deviation from the prescribed requirements of the Companies Act, 2013 and the applicable Secretarial Standards.** Except for these instances, the agenda and detailed notes were circulated at least seven days in advance for all other meetings, or with the consent of Directors in case of meetings held at shorter notice. A system was in place for Directors to seek and obtain further information and clarifications on agenda items to ensure informed deliberation and effective participation.

All decisions of the Board and Committee meetings were carried out with requisite majority.

We further report that based on the review of the compliance mechanism established by the Bank and on the basis of information provided by the Bank, its officers and authorized representatives during the conduct of the secretarial audit, the explanation provided to us and the representations made by the Management and Functional head, we are of the opinion that the Bank has systems and processes in place and is taking efforts to further strengthen them so as to make them commensurate with the size and operations of the Bank, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

During the Audit Period the following events / action having a major bearing on the Bank's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above have taken place :

1. During the year under review there has been following Changes in the Key Managerial Personnel of the Bank.
 - Resignation of Mr. Shailesh Kumar Shah as CFO and KMP with effect from 1st October 2024.
 - Appointment of Mr. Sujit Kumar Pandey as the Interim Chief Financial Officer and KMP of the Bank starting from 01st October 2024 till 31st December 2024 or till the new CFO Joins the Bank, whichever is earlier. Mr. Sujit Kumar Pandey ceased to be the interim CFO with effect from December 18, 2024.
 - Appointment of Mr. Amit Jagdhari as WTD, CFO and KMP of the Bank with effect from 18th December, 2024.
2. In the 7th Annual General Meeting held on 20th September, 2024 approve:
 - Appointment of M/S Gokhale & Sathe, Chartered Accountants (ICAI Firm Registration No. 103264W) as Statutory Auditors for the period of three financial years beginning from April 01, 2024, and ending on March 31, 2027.
 - Appointment of Mr. Ashish Vijayakar (DIN: 10498810), MD of the Bank, liable to retire by rotation.
 - Reappointment of Mr. Raoul Gufflet (DIN: 09194722), Non-Executive & Non Independent Director of the Bank, liable to retire by rotation.
 - Appointment of Ms. Mariam Rajabally (Din: 10648323) as a Non-Executive and Non-Independent Director of the Bank who was appointed as an Additional Director (Non-Executive and Non- Independent) up to the date of 07th AGM.
 - Appointment of Mr. Abizer Diwanji (Din: 02540442) as an Independent Director of the Bank who was appointed as an Additional Director (Non-Executive and Independent) up to the date of 07th AGM.
 - Appointment of Ms. Pallavi Kanchan (Din: 07545615) as an Independent Director of the Bank who was appointed as an Additional Director (Non-Executive and Independent) up to the date of 07th AGM.
3. During the year under review the Bank has allotted 7,97,60,717 Equity Shares of Face Value of INR 10/- Each at an Issue Price of INR 10.03 p per Share (which includes premium of INR 0.3p on each Share) to the existing shareholders as Rights Issue.
4. During the year under review, the Bank, at its 12th EOGM held on 8th November, 2024, approved the alteration of the Object Clause of its Memorandum of Association by amending Sub-clause 12 of Clause III(B)
5. The Bank was imposed with a monetary penalty of ₹88.70 lakh (Rupees Eighty-Eight Lakh Seventy Thousand only) by the Reserve Bank of India (RBI) in May 2024. Further, vide compounding order CA No. MUM1859/2025 dated August 05, 2025, the RBI levied a compounding amount of ₹78,667/- (Rupees Seventy-Eight Thousand Six Hundred Sixty-Seven only).

This report is to be read with our letter of even date which is annexed as Annexure A & Annexure B and forms an integral part of this report.

Place: Mumbai
Date: 19/09/2025

Pratik Kirit Pujara
Proprietor
FCS: 10840 | COP No.: 14475
ICSI UDIN: F010840G001281747

For PRATIK PUJARA & ASSOCIATES.
Company Secretaries
Peer Review Cert. No: 4973/2023

ANNEXURE – A

The Management has identified and confirmed compliances with following laws as specifically applicable to the Bank during the audit period 2024-25:

1. Reserve Bank of India Act, 1934 and Master Directions Issued by the RBI to Commercial Banks & the Banking Regulations Act, 1949 and Rules, Notifications and Circulars issued by Reserve Bank of India from time to time;
2. The Banking Ombudsman Scheme, 2006;
3. The Bankers' Books Evidence Act, 1891;
4. The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 read with The Security Interest (Enforcement) Rules, 2002;
5. The Deposit Insurance and Credit Guarantee Corporation Act, 1961;
6. Credit information Companies (Regulation) Act, 2005;
7. Recovery of Debts due to Banks and Financial Institutions Act, 1993;
8. Negotiable Instruments Act, 2002;
9. The Micro, Small and Medium Enterprises Development Act, 2006;
10. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
11. Payment of Gratuity Act, 1972 read with Rules made thereunder;
12. Maternity Benefit Act, 1961;
13. Payment of Bonus Act, 1965 read with Rules made thereunder;
14. The Factoring Regulation Act, 2011; and
15. Industrial Disputes Act, 1947 read with Industrial Disputes (Banking and Insurance Companies) Act, 1949;
16. The Shop and Establishment Act, 1948; and
17. The Central Goods and Services Tax Act, 2017 except as mentioned in Secretarial Audit Report 2024.

Pratik Kirit Pujara
Proprietor

For PRATIK PUJARA & ASSOCIATES.
Company Secretaries
Peer Review Cert. No: 4973/2023

Place: Mumbai
Date: 19/09/2025

FCS: 10840 | COP No.: 14475
ICSI UDIN: F010840G001281747

To,

The Members,
SBM Bank (India) Limited,
101, Raheja Centre, 1st Floor, Free Press Journal Marg, Nariman Point, Mumbai - 400 021.

ANNEXURE - B

Our Secretarial Audit Report for the Financial Year ended 31st March, 2025 of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Bank to Maintain Secretarial Records, devise proper systems to ensure compliance with the provision of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Bank with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Bank, are free from misstatement.
5. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

6. The Secretarial Audit report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.
7. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Bank.

Pratik Kirit Pujara
Proprietor

For PRATIK PUJARA & ASSOCIATES
Company Secretaries
Peer Review Cert. No: 4973/2023

Place: Mumbai
Date: 19/09/2025

FCS: 10840 | COP No.: 14475
ICSI UDIN: F010840G001281747

ANNEXURE D

Board Meetings held during FY 2024-25

Sr. No.	Date of Meeting	Total Number of directors as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	29.05.2024	9	8	88.89%
2	13.06.2024	10	9	90%
3	09.08.2024	9	9	100%
4	09.09.2024	10	10	100%
5	24.09.2024	9	9	100%
6	28.10.2024	9	9	100%
7	12.11.2024	9	9	100%
8	17.12.2024	8	8	100%
9	20.01.2025	9	9	100%
10	11.02.2025	9	8	88.89%
11	28.03.2025	9	9	100%

Committee Meetings held during FY 2024-25

Sr. No.	Type of meeting	Date of Meeting	Total Number of members as on the date of meeting	Attendance	
				Number of members attended	% of attendance
1	Audit Committee				
	1	03.04.2024	4	4	100%
	2	22.05.2024	4	4	100%
	3	29.05.2024	4	3	75%
	4	05.08.2024	3	3	100%
	5	09.08.2024	3	3	100%
	6	12.11.2024	4	4	100%
	7	19.11.2024	4	4	100%
	8	29.11.2024	4	3	75%
	9	11.02.2025	4	4	100%
	10	03.03.2025	3	3	100%

Sr. No.	Type of meeting	Date of Meeting	Total Number of members as on the date of meeting	Attendance	
				Number of members attended	% of attendance
2	Board Credit and Investment Committee				
	1	26.04.2024	4	4	100%
	2	21.05.2024	4	4	100%
	3	24.06.2024	4	4	100%
	4	29.07.2024	5	4	80%
	5	02.09.2024	5	5	100%
	6	26.09.2024	4	3	75%
	7	29.10.2024	5	5	100%
	8	26.11.2024	5	4	80%
	9	20.12.2024	5	5	100%
	10	21.01.2025	5	5	100%
	11	17.02.2025	5	4	80%
	12	21.03.2025	5	5	100%
3	Nomination and Remuneration Committee				
	1	22.05.2024	4	4	100%
	2	01.08.2024	5	5	100%
	3	28.08.2024	5	5	100%
	4	09.10.2024	5	5	100%
	5	11.11.2024	5	5	100%
	6	20.01.2025	5	5	100%
	7	10.02.2025	5	5	100%
	8	28.02.2025	4	3	75%
4	Special Committee of the Board for Monitoring and Follow-up of cases of Frauds				
	1	10.12.2024	4	4	100%
	2	31.03.2025	4	4	100%
5	Corporate Social Responsibility				
	1	02.05.2024	4	4	100%
6	Customer Service and Marketing Strategy				
	1	27.05.2024	5	4	80%
	2	29.10.2024	4	4	100%

Sr. No.	Type of meeting	Date of Meeting	Total Number of members as on the date of meeting	Attendance	
				Number of members attended	% of attendance
7	IT Strategy Committee				
	1	13.06.2024	5	5	100%
	2	19.09.2024	5	5	100%
	3	16.12.2024	5	4	80%
	4	13.03.2025	4	3	75%
8	Risk Management Committee				
	1	31.05.2024	5	4	80%
	2	10.09.2024	5	3	60%
	3	29.11.2024	5	5	100%
	4	07.03.2025	5	5	100%

The background of the entire page is a dark blue gradient. It features several stacks of silver coins, some of which are slightly blurred to create a sense of depth. Overlaid on the coins and the background are several semi-transparent white and light blue graphics. These include multiple upward-pointing arrows of varying sizes, a line graph with circular data points and percentage labels (4%, 6%, 8%, 12%, 16%), and various percentage symbols (%). The overall aesthetic is professional and modern, typical of a corporate financial report.

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To,
The Members of SBM Bank (India) Limited
Report on audit of the financial statements

Opinion

We have audited the accompanying Financial Statements of SBM Bank (India) Limited ("the Bank"), which comprise the Balance Sheet as at March 31, 2025, the Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Banking Regulation Act, 1949, the Companies Act, 2013 ("the Act"), and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time ('RBI Guidelines') in the manner so required for Banking companies and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Bank as at March 31, 2025; the loss for the year ended on that date; and the cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the Key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Identification and provisioning of non-performing advances (NPA): Total Loans and Advances (Net of Provision) as at March 31, 2025: ₹4,65,36,277 (in '000s) Provision for NPA as at March 31, 2025: ₹11,69,719 (in'000s) (Refer Schedule 9 and Schedule 17B (4))	
The Reserve Bank of India's ("RBI") guidelines on Income recognition and asset classification & Provisioning ("IRAC") and other circulars and directives issued by the RBI from time to time, which prescribe the prudential norms for identification and classification of performing and non-performing assets ("NPA") and the minimum provision required for such assets. The Bank is required to have a Board approved policy as per IRAC guidelines for NPA identification and classification of advances and provision thereon.	Our audit approach included testing the design and operating effectiveness of internal controls, and substantive audit procedures in respect of income recognition, asset classification and provisioning pertaining to advances and investments. In particular: We have evaluated and understood the Bank's internal control system in adhering to the relevant RBI guidelines regarding income recognition, asset classification and provisioning pertaining to advances.

Key Audit Matter	How our audit addressed the key audit matter
The management of the Bank relies on its automated IT systems to determine asset classification, income recognition, provisioning for advances and for compliance of applicable regulatory guidelines issued by the RBI. The management supplements its assessment by availing services of experts (like independent valuers, lawyers, legal experts and other professionals) to determine the valuation and enforceability of security of such advances. The Bank also makes additional provisions at higher than prescribed rates on certain identified exposures including advances in stressed sectors of the economy as specified under IRAC guidelines and the policy of the Bank. Since the identification of NPAs and Provisioning for advances require a significant level of estimation and given its significance to the overall audit, we have ascertained identification and provisioning for NPAs as a key audit matter.	b. We have tested key IT systems / applications used and their design and implementation as well as operating effectiveness of relevant controls, including involvement of manual process and manual controls in relation to income recognition, asset classification, provisioning pertaining to advances and investments and compliances of other regulatory guidelines issued by the RBI. c. We have verified advances on a sample basis, to examine the validity of the recorded amounts, loan documentation, examined the statement of accounts for indicators of impairment, if any, provisions for non-performing assets, and compliance with IRAC guidelines. d. We have also reviewed the existence and effectiveness of internal mechanisms in the Bank in the areas of Internal Audit, Systems Audit, and Concurrent Audit and also relied on work done by external experts like valuers, lawyers, concurrent auditors etc. in specific areas. e. We have reviewed the report of the external auditors regarding compliance of RBI circular in respect of IRAC automation.
Classification and Valuation of Investments, Identification of and provisioning for Non-Performing Investments Total Investments as at March 31, 2025: ₹2,21,16,971 (in '000s) Provision for NPI as at March 31, 2025: ₹31,490 (in '000s) (Refer Schedule 8 and Schedule 17B (3))	
Investments include investments made by the Bank in various Government Securities, Bonds, Debentures, Shares, Security receipts and other securities. These investments are governed by the circulars and directives of the RBI. These directions of RBI, inter-alia, cover valuation of investments, classification of investments, identification of non-performing investments, the corresponding non-recognition of income and provision there against. The valuation of each category (type) of the aforesaid securities is to be done as per the valuation hierarchy prescribed in the RBI circulars, method prescribed in the circulars and directives issued by the RBI which involves collection of data / information from various sources such as FIMMDA / FBIL rates, rates quoted on BSE / NSE, NAVs of mutual funds, Security Receipts etc. Considering the complexities and extent of judgement involved in the valuation, volume of transactions,	Our audit approach towards Investments with reference to the RBI Circulars / directives included the understanding of internal controls and substantive audit procedures in relation to classification, valuation, identification of non-performing investments (NPIs), provisioning / depreciation related to Investments. In particular; a. We understood and reviewed the methodology adopted by the Bank for classification of investments into various categories as per RBI guidelines; b. We understood and evaluated the Bank's internal control system to comply with relevant RBI guidelines regarding valuation, classification, identification of NPIs, provisioning / depreciation related to investments; c. We assessed and evaluated the process adopted for

Key Audit Matter	How our audit addressed the key audit matter
investments on hand and degree of regulatory focus, this has been determined as a Key Audit Matter. Accordingly, our audit was focused on valuation of investments, classification, identification of non-performing investments and provisioning related to investments.	collection of information from various sources for determining fair value of these investments; d. For the selected sample of investments in hand, we tested accuracy and compliance with the RBI Master Circulars and directions by re-performing valuation for each category of security. Samples were selected after ensuring that all the categories of investments (based on nature of security) were covered in the sample; e. We assessed and evaluated the process of identification of NPIs and corresponding reversal of income and creation of provision; f. We carried out substantive audit procedures to recompute independently the provision to be maintained and depreciation to be provided in accordance with the circulars and directives of the RBI. We tested the mapping of investments between the Investment application software and the financial statement preparation software to ensure compliance with the presentation and disclosure requirements as per the aforesaid RBI Circular / directions.
Information Technology ('IT') systems and controls impacting financial controls.	
The Bank has a comprehensive IT architecture to support its day-to-day business operations. The reliability and security of IT systems plays a key role in the business operations of the Bank. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. We have identified 'IT systems and controls' as key audit matter because of the level of automation, significant number of systems being used by the management and the complexity of the IT architecture and its impact on the financial reporting system.	Our Audit procedures with respect to this matter included: For testing the IT general controls, application controls and IT dependent manual controls, we involved experienced personnel as part of the audit. Our team also tested the accuracy of the information produced by the Bank's IT systems. We obtained an understanding of IT applications operating at the Bank. It was followed by mapping of specific accounts affected by such applications the financial risks posed by these applications. Key IT audit procedures include review of design and operating effectiveness of key controls operating over user access management, change management, program development, backups, incident management IT security. This also included verification of whether accesses to systems were appropriately logged, reviewed, and authorized. In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were reviewed.

Key Audit Matter	How our audit addressed the key audit matter
	We also reviewed the reports issued by Internal Audit Department covering IT systems, IS / Systems audit reports and other available relevant audit reports, to verify if any adverse findings have been reported by such auditors.

Information other than financial statements and auditors' report thereon

The Bank's Board of Directors is responsible for the other information. The Other Information comprises the information included in the Annual Report but does not include the Financial Statements and our Auditors' Report thereon and the Pillar 3 Disclosures under Basel III Capital Regulations, Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

in connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. if, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

The Bank's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cashflows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ("RBI") from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act and the RBI guidelines for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intend to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the bank has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

The financial statements for the year ended March 31, 2024 were audited by the predecessor auditor whose reports dated May 29, 2024, expressed an unmodified audit opinion on such financial statements. These reports have been relied upon by us for the purpose of the audit of the Statement.

Our opinion is not modified in respect of this matter.

Report on other legal and regulatory requirements

1. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provision of Section 29 of the Banking Regulation Act, 1949 read with Section 133 of the Act and the relevant rules issued thereunder.
2. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory.

- b. The transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
- c. Since the key operations of the Bank are automated with the key applications integrated into the core banking systems, the audit is carried out centrally, as all the necessary records and data required for the purposes of our audit are available therein. Therefore, no separate returns are being received from the branches.

3. **Further, as required by section 143(3) of the Act, we report that:**

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books;
- c. the Balance Sheet, the profit and loss account and the statement of cash flows dealt with by this report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder, to the extent they are not inconsistent with the accounting policies prescribed by RBI;
- e. on the basis of written representation received from the directors as on March 31, 2025 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as director in terms of Section 164(2) of the Companies Act, 2013;
- f. with respect to the adequacy of the internal financial controls with reference to financial statements of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 15 and 16 of Schedule 17(B) to the financial statements;
 - ii. The Bank has made provision, as required, under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Note 17 of Schedule 17B to the financial statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Bank during the year ended March 31, 2025.
 - iv. In respect of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014,
 - 1. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - 2. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Bank from any persons or entities), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

3. Based on such audit procedures that were considered reasonable and appropriate by us in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (a) and (b) contain any material misstatement.
- v. During the year the Bank has not declared or paid any dividend.
- vi. In respect of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, based on our examination which included test checks, the Bank has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirement for record retention.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, the Bank is a banking Company as defined under Banking Regulation Act, 1949. Accordingly, the requirements prescribed under Section 197 of the Act do not apply.

Place: Mumbai Date: May 30, 2025	For Gokhale & Sathe Chartered Accountants Firm Regn. No. 103264W	Rahul Joglekar Partner Membership No.: 129389 UDIN: 25129389BMJIRE5072
---	--	---

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 4 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

We have audited the internal financial controls with reference to financial statements of SBM Bank (India) Limited ("the Bank") as at March 31, 2025 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

In our opinion, the Bank has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2025, based on the internal financial controls with reference to financial statements criteria established by the Bank considering essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's responsibility for internal financial controls

The Bank's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing ("the SAs"), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting, both issued by the ICAI.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Bank's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Bank's internal financial control with reference to financial statements includes those policies and procedures that

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorizations of management and Directors of the Bank; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Bank's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: Mumbai Date: May 30, 2025	For Gokhale & Sathe Chartered Accountants Firm Regn. No. 103264W	Rahul Joglekar Partner Membership No.: 129389 UDIN: 25129389BMJIRE5072
---	--	---

SBM BANK (INDIA) LIMITED

BALANCE SHEET AS ON MARCH 31, 2025				PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2025			
	Schedule	Audited As at 31 March 2025	Audited As at 31 March 2024		Schedule	For the year ended 31 March 2025	For the year ended 31 March 2024
		(Amount in ₹'000)	(Amount in ₹'000)			(Amount in ₹'000)	(Amount in ₹'000)
CAPITAL AND LIABILITIES				I. INCOME			
Capital	1	1,00,11,375	92,13,768	Interest earned	13	74,08,333	75,29,324
Reserves & Surplus	2	(21,02,895)	(12,52,052)	Other Income	14	17,57,382	18,65,778
Deposits	3	7,69,94,625	7,11,29,811	TOTAL		91,65,715	93,95,102
Borrowings	4	62,05,200	72,68,400	II. EXPENDITURE			
Other Liabilities and Provisions	5	47,24,173	30,98,882	Interest expended	15	54,50,702	52,75,450
TOTAL		9,58,32,478	8,94,58,809	Operating expenses	16	43,40,719	42,87,778
ASSETS				Provisions & contingencies	17B - (14.e)	2,46,299	2,64,345
Cash and Balances with Reserve Bank of India	6	2,13,66,137	63,14,336	TOTAL		1,00,37,720	98,27,573
Balances with banks and Money at Call and Short Notice	7	2,09,183	3,86,944	III. PROFIT/LOSS			
Investments	8	2,21,16,971	3,05,73,832	Net profit/(loss) for the year		(8,72,005)	(4,32,471)
Advances	9	4,65,36,277	4,67,62,048	Profit/(loss) brought forward		(31,53,624)	(27,26,867)
Fixed Assets	10	10,51,858	10,44,987	TOTAL		(40,25,629)	(31,59,338)
Other Assets	11	45,52,052	43,76,662	IV. APPROPRIATIONS			
TOTAL		9,58,32,478	8,94,58,809	Transfer to Statutory Reserves		-	-
Contingent Liabilities	12	17,89,37,600	8,61,51,873	Transfer to Capital Reserve		26,305	11,120
Bills for Collection		1,19,83,229	89,44,545	Transfer to Investment Fluctuation Reserve		(2,42,188)	(16,834)
Significant Accounting Policies & Notes on Accounts	17			Balance carried over to Balance Sheet		(38,09,746)	(31,53,624)
				TOTAL		(40,25,629)	(31,59,338)
				V. BASIC AND DILUTED EARNING PER SHARE (₹)	17B-(23)	(0.89)	(0.52)

The Schedules referred to above form an integral part of the Balance Sheet.

As per our attached Report of even date.

The Schedules referred to above form an integral part of the Profit & Loss Account.

As per our attached Report of even date.

For Gokhale & Sathe Chartered Accountants ICAI Firm Registration Number: 103264W		For SBM Bank (India) Limited	
Mr. Rahul Joglekar Partner ICAI Membership No. 129389		Mr. Ashish Vijayakar Managing Director & Chief Executive Officer	Mr. Amit Jagdhari Executive Director & Chief Financial Officer
Place: Mumbai Date: May 30, 2025		Mr. Mehul Somaiya Company Secretary	

SBM BANK (INDIA) LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025

Particulars	Year Ended March 31, 2025 (Amount in ₹'000)	Year Ended March 31, 2024 (Amount in ₹'000)
A. Cash Flow from Operating Activities		
Net Profit after Taxes	(8,72,005)	(3,99,115)
Adjustments to profit / (loss) from operations		
Depreciation on Fixed Assets	3,02,209	2,26,545
Amortization of premium on investments	24,308	22,954
Specific Provision for NPA	2,25,651	67,947
Diminution on Investment	(13,710)	(10,110)
Non performing Advances written off	98,310	3,37,330
Non performing Investments written off	-	6,970
Provision for Standard Advances	4,201	(18,615)
Sub-Total	(2,31,036)	2,33,906
Changes in working capital		
(Increase) / Decrease in Investments	1,00,85,016	42,80,725
(Increase) / Decrease in Advances	(98,190)	11,91,999
(Increase) / Decrease in Other Assets	(1,61,772)	8,08,533
Increase / (Decrease) in Deposits	58,64,814	(20,55,519)
Increase / (Decrease) in Other Liabilities	16,21,089	(4,94,604)
Net Cash from Operating Activities before Income Tax	1,70,79,921	39,65,040
Tax Refund (Net of Taxes paid)	(13,618)	(79,763)
Net Cash from Operating Activities after Income Tax	1,70,66,303	38,85,277
B. Cash Flow from Investing Activities		
(Increase) / Decrease in Held To Maturity (HTM) securities	(16,11,541)	20,52,719
Purchase of Fixed Assets	(3,17,522)	(3,98,433)
Net Cash from Investing Activities	(19,29,063)	16,54,286
C. Cash Flow from Financing Activities		
Additional capital infused	8,00,000	10,00,000
Increase / (Decrease) in Borrowings	(10,63,200)	(97,84,093)
Net Cash from Financing Activities	(2,63,200)	(87,84,093)
D. Cash and Cash Equivalent at the beginning of the year		
I Cash in Hand (including foreign currency notes and gold)	19,482	14,827
II. Balances with Reserve Bank of India	62,94,854	96,98,271
III. Balances with Banks and Money at Call and Short Notice	3,86,944	2,32,712
	67,01,280	99,45,810

SBM BANK (INDIA) LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Year Ended March 31, 2025 (Amount in ₹'000)	Year Ended March 31, 2024 (Amount in ₹'000)
E. Cash and Cash Equivalent at the end of the year		
I. Cash in Hand (including foreign currency notes and gold)	24,665	19,482
II. Balances with Reserve Bank of India	2,13,41,472	62,94,854
III. Balances with Bank and Money at Call and Short Notice	2,09,183	3,86,944
	2,15,75,320	67,01,280
A Cash Flow from Operating Activities	1,70,66,303	38,85,277
B Cash Flow from Investing Activities	(19,29,063)	16,54,286
C Cash Flow from Financing Activities	(2,63,200)	(87,84,093)
Net Increase / (Decrease) in Cash & Cash Equivalents	1,48,74,040	(32,44,530)
D Cash and Cash Equivalent at the beginning of the year	67,01,280	99,45,810
E Cash and Cash Equivalent at the end of the year (A+B+C+D)	2,15,75,320	67,01,280

For Gokhale & Sathe Chartered Accountants ICAI Firm Registration Number: 103264W	For SBM Bank (India) Limited	
Mr. Rahul Joglekar Partner ICAI Membership No. 129389	Mr. Ashish Vijayakar Managing Director & Chief Executive Officer	Mr. Amit Jagdhari Executive Director & Chief Financial Officer
Place: Mumbai Date: May 30, 2025	Mr. Mehul Somaiya Company Secretary	

SBM BANK (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As of 31 March 2025	As of 31 March 2024		As of 31 March 2025	As of 31 March 2024
	(Amount in ₹'000)	(Amount in ₹'000)		(Amount in ₹'000)	(Amount in ₹'000)
SCHEDULE 1 : CAPITAL			SCHEDULE 2 : RESERVES AND SURPLUS		
Authorised Capital : 2,00,00,00,000 equity shares of ₹10 each (P.Y. 2,00,00,00,000)	2,00,00,000	2,00,00,000	Deductions during the year	-	-
Issued, subscribed and paid-up capital :			Sub Total	3,812	-
Opening Balance (92,13,76,794 equity shares of ₹10 each)	92,13,768	82,36,251	IX. Balance in Profit and Loss Account	(38,09,746)	(31,53,624)
Additions during the year	7,97,607	9,77,517	X. Share Application Money	-	-
Deductions during the year	-	-	Total (I+II+III+IV+V+VI+VII+VIII+IX+X)	(21,02,895)	(12,52,052)
TOTAL	1,00,11,375	92,13,768	SCHEDULE 3 : DEPOSITS		
SCHEDULE 2 : RESERVES AND SURPLUS			A.I. Demand Deposits		
I. Statutory Reserve			(i) From Banks	1,29,163	4,29,943
Opening Balance	5,04,055	5,04,055	(ii) From Others	55,07,037	94,05,002
Additions during the year	-	-	A.II. Savings Bank Deposits	99,34,593	79,20,890
Deductions during the year	-	-	A.III. Term Deposits		
Sub Total	5,04,055	5,04,055	(i) From Banks	47,36,447	37,35,796
II. Capital Reserve			(ii) From Others	5,66,87,385	4,96,38,180
Opening Balance	1,18,653	1,07,533	Total	7,69,94,625	7,11,29,811
Additions during the year	26,305	11,120	B.I. Deposits of branches in India	7,69,94,625	7,11,29,811
Deductions during the year	-	-	B.II. Deposits of branches outside India	-	-
Sub Total	1,44,958	1,18,653	Total	7,69,94,625	7,11,29,811
III. Retained Earnings			SCHEDULE 4 : BORROWINGS		
Opening Balance	3,20,098	3,20,098	I. Borrowings in India		
Additions during the year	-	-	i) Reserve Bank of India	-	-
Deductions during the year	-	-	ii) Other Banks	7,50,000	-
Sub Total	3,20,098	3,20,098	iii) Other Institutions and Agencies	54,55,200	72,68,400
IV. Investment Fluctuation Reserve			Sub Total	62,05,200	72,68,400
Opening Balance	3,37,745	3,54,579	II. Borrowings outside India	-	-
Additions during the year	-	-	TOTAL (I + II)	62,05,200	72,68,400
Deductions during the year	2,42,188	16,834	Secured Borrowings included in I & II above	-	-
Sub Total	95,557	3,37,745	SCHEDULE 5 : OTHER LIABILITIES AND PROVISIONS		
V. Revaluation Reserve			I. Bills Payable	65,607	95,610
Opening Balance	2,65,205	2,73,645	II. Interest Accrued	6,80,412	4,36,832
Additions during the year	-	-	III. Deferred Tax Liability (Net)	-	-
Deductions during the year	8,443	8,440	IV. Provision for standard advances (Refer Note 4(a) - Schedule 17.B)	2,42,725	2,38,524
Sub Total	2,56,762	2,65,205	V. Others (including Provisions) (Refer Note 32 - Schedule 17.B for items exceeding 1% of total assets)	37,35,429	23,27,916
VI. Share Premium			Total	47,24,173	30,98,882
Opening Balance	3,55,816	3,33,333	SCHEDULE 6 : CASH AND BALANCES WITH RBI		
Additions during the year	2,393	22,483	I. Cash in Hand (including Foreign Currency Notes - NIL) (P.Y. : NIL)	24,665	19,482
Deductions during the year	-	-	II. Balances with Reserve Bank of India in Current Account in Other Accounts	26,81,472	29,84,854
Sub Total	3,58,209	3,55,816		1,86,60,000	33,10,000
VII. Revenue and General Reserve			TOTAL	2,13,66,137	63,14,336
Opening Balance	-	-			
Opening Transition Provision	23,400	-			
Adjustments	-	-			
Additions during the year	-	-			
Deductions during the year	-	-			
Sub Total	23,400	-			
VIII. AFS Reserve					
Opening Balance	-	-			
Opening Transition Provision	-	-			
Adjustments	-	-			
Additions during the year	3,812	-			

SBM BANK (INDIA) LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As of 31 March 2025	As of 31 March 2024		As of 31 March 2025	As of 31 March 2024
	(Amount in ₹'000)	(Amount in ₹'000)		(Amount in ₹'000)	(Amount in ₹'000)
SCHEDULE 7 : BALANCES WITH BANKS & MONEY AT CALL & SHORT NOTICE			SCHEDULE 10 : FIXED ASSETS		
I. In India			I. Premises		
i) Balances with banks in			At Cost at beginning of year	5,45,713	5,45,713
(a) Current Accounts	6,656	51,433	Additions during the year	-	-
(b) Other Deposit Accounts	-	-	Deductions during the year	-	-
ii) Money at call and short notice			Depreciation to date	1,88,849	1,77,164
(a) with Banks	-	-	Sub Total	3,56,864	3,68,549
(b) with Other Institutions	-	-			
Sub Total	6,656	51,433	II. Other Fixed Assets (including Furniture & Fixtures)		
			At Cost at beginning of year	14,38,408	10,42,347
II. Outside India			Additions during the year	3,73,464	3,96,061
i) in Current Accounts	2,02,527	2,03,285	Deductions during the year	-	-
ii) in Other Deposit Accounts	-	-	Depreciation to date	11,58,185	8,59,219
iii) in Money at Call and Short Notice	-	1,32,226	Sub Total	6,53,687	5,79,189
Sub Total	2,02,527	3,35,511			
Total (I & II)	2,09,183	3,86,944	III. Capital Work in Progress	41,307	97,249
			Total (I, II & III)	10,51,858	10,44,987
SCHEDULE 8 : INVESTMENTS			SCHEDULE 11 : OTHER ASSETS		
I. Investments in India in			I. Inter-Office Adjustment (Net)	-	-
i) Government Securities	2,05,59,209	2,87,98,405	II. Interest Accrued	4,35,542	5,25,151
ii) Other Approved Securities	-	-	III. Tax paid in Advance / Tax Deducted at Sources (Net of Provisions)	1,91,255	1,77,637
iii) Shares	-	-	IV. Deferred Tax Assets (Net)	-	-
iv) Debentures and Bonds	4,39,912	7,97,758	V. Stationery and Stamps	56	48
v) Subsidiaries and /or Joint Venture	-	-	VI. Others* (Refer Note 33 - Schedule 17.B for items exceeding 1% of total assets)	39,25,199	36,73,826
vi) Others (includes PTC investment)	11,17,850	9,77,669	*Includes Deposits kept with NABARD ₹65,449 (P.Y.: ₹72,966); with SIDBI ₹3,01,500 (P.Y. : ₹3,01,500); with NHB ₹16,920 (P. Y. : ₹19,864); with MUDRA ₹ NIL (P.Y. : ₹20,600) for meeting shortfall in Priority sector lending)		
Total	2,21,16,971	3,05,73,832	Total	45,52,052	43,76,662
II. Investments outside India	-	-			
Total (I & II)	2,21,16,971	3,05,73,832	SCHEDULE 12 : CONTINGENT LIABILITIES		
SCHEDULE 9 : ADVANCES			I. Claims against the Bank not acknowledged as Debts	43,084	55,059
A i) Bills Purchased and Discounted	7,01,710	12,49,709	II. Liability for Partly Paid Investments	-	-
ii) Cash Credits, Overdrafts and Loans repayable on Demand	1,31,80,073	1,35,73,145	III. Liability on account of outstanding Forward Exchange Contracts & Derivatives	15,68,00,568	6,98,60,688
iii) Term loans	3,26,54,494	3,19,39,194	IV. Guarantees given on behalf of Constituents		
Total	4,65,36,277	4,67,62,048	a) In India	89,45,905	80,61,271
			b) Outside India	73,92,252	17,66,784
B i) Secured by Tangible Assets (includes advances against Book debts)	4,41,33,102	4,38,95,128	V. Acceptances, Endorsements and Other Obligation	52,52,326	61,83,567
ii) Covered by Bank / Government Guarantees (includes advance against standby letter of credit)	64,426	2,61,466	VI. Other items for which the Bank is Contingently Liable	5,03,465	2,24,504
iii) Unsecured	23,38,749	26,05,454	Total	17,89,37,600	8,61,51,873
Total	4,65,36,277	4,67,62,048			
C. I Advances in India					
i) Priority Sectors	1,22,42,861	1,41,34,250			
ii) Public Sector	-	-			
iii) Banks	-	81,860			
iv) Others	3,42,93,416	3,25,45,938			
Total	4,65,36,277	4,67,62,048			
II Advances outside India	-	-			
Total (CI & CII)	4,65,36,277	4,67,62,048			

SBM BANK (INDIA) LIMITED

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Year Ended 31 March 2025	Year Ended 31 March 2024		Year Ended 31 March 2025	Year Ended 31 March 2024
	(Amount in ₹'000)	(Amount in ₹'000)		(Amount in ₹'000)	(Amount in ₹'000)
SCHEDULE 13 : INTEREST EARNED			SCHEDULE 15 : INTEREST EXPENDED		
I. Interest / Discount on Advances / Bills	51,57,660	50,52,109	I. Interest on Deposits	43,66,733	38,73,219
II. Income on Investments	16,34,779	21,45,735	II. Interest on Reserve Bank of India /Inter Bank Borrowings	7,811	291
III. Interest on Balances with RBI and Other Inter-Bank Funds	2,08,542	1,44,695	III. Others*	10,76,158	14,01,940
IV. Others*	4,07,352	1,86,785	Total	54,50,702	52,75,450
Total	74,08,333	75,29,324	*includes Swap Cost on Funding Swaps of ₹4,76,435 (P.Y. : ₹4,88,177)		
*includes Swap Gain on Funding Swaps of ₹31,638 (P.Y. : ₹82,754)					
SCHEDULE 14 : OTHER INCOME			SCHEDULE 16 : OPERATING EXPENSES		
I. Commission, Exchange and Brokerage	7,06,326	8,54,940	I. Payments to and Provision for Employees	16,43,166	15,33,997
II. Profit/(loss) on sale of Investments	2,80,852	1,39,300	II. Rent, Taxes and Lighting	1,95,617	1,96,439
III. Profit/(loss) on Revaluation of Investments	13,710	17,080	III. Printing and Stationery	42,164	36,663
IV. Profit/(loss) on sale of Land Building & Other Assets	-	-	IV. Advertisement and Publicity	28,344	51,100
V. Profit on Exchange Transactions	4,77,517	6,74,614	V. Depreciation on Bank's Property	3,02,209	2,26,540
VI. Income earned by way of Dividends etc. from Companies and / or Joint Ventures in India & Aboard	-	-	VI. Directors' fees, allowances and expenses	14,043	23,850
VII. Profit/(loss) on Derivative Trade	1,40,766	34,008	VII. Auditors' Fee	4,189	5,850
VIII. Miscellaneous Income (Refer Note 34- Schedule 17.B for items exceeding 1% of total income)	1,38,211	1,45,836	VIII. Law charges (incl. Professional Fees)	3,85,680	4,23,508
Total	17,57,382	18,65,778	IX. Postages, Telegrams, Telephones, etc.	28,872	22,547
			X. Repairs and Maintenance	14,707	18,932
			XI. Insurance	98,543	91,744
			XII. Other Expenditure (Refer Note 31- Schedule 17.B for items exceeding 1% of total income)	15,83,185	16,56,608
			Total	43,40,719	42,87,778



SBM BANK (INDIA) LIMITED

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

SCHEDULE 17.A – SIGNIFICANT ACCOUNTING POLICIES

a) Background

The financial statements for the year comprise the accounts of the SBM Bank (India) Limited, ('the Bank') which is incorporated in India and is a wholly owned subsidiary of SBM (Bank) Holdings Limited, Mauritius ('the Parent'). The Bank is engaged in providing banking and financial services as a banking company governed by the Banking Regulation Act, 1949. As at March 31, 2025 the bank carries out operations through 22 branches.

b) Basis of preparation

The financial statements have been prepared in accordance with the requirements prescribed under the Third Schedule (Form A and Form B) of the Banking Regulation Act, 1949. The accounting and reporting policies of the Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by the Reserve Bank of India ("RBI") from time to time, the Accounting Standards notified under section 133 of the Companies Act 2013, read with the Companies (Accounts) Rules 2014 and other relevant provisions of the Companies Act, 2013 ("the Act") and the Companies (Accounting Standards) Amendment Rules, 2016, in so far as they apply to banks and practices generally prevalent in the banking industry in India. The financial statements are prepared under the historical cost convention, with fundamental accounting assumptions of going concern, consistency and accrual unless otherwise stated.

c) Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current or future periods.

d) Revenue recognition

Income and expenses are recognized on accrual basis except as otherwise stated. Interest income is recognized in the Profit and Loss account on accrual basis except in case of interest on non-performing assets which is recognized on receipt basis. Interest income on discounted instruments is recognized over the tenor of the instrument on a straight-line basis. Processing Fees, Commission on Letters of Credit and Locker Fees income are recognized upfront on becoming due. Commission on bank guarantees issued is amortized over the period of guarantees. Income on insurance commission are accounted on right to receive basis. Fees paid/received for priority sector lending certificates (PSLC) is amortised on straight-line basis over the period of the certificate. Dividend income is recognized when the right to receive the dividend is established. The Bank derecognizes its financial assets when it sells to Securitization Company (SC)/ Reconstruction Company (RC), and accounts for as under:

- If the sale is at a price below the Net Book Value (NBV) (i.e. book value less provisions held), the shortfall is debited to the Profit and Loss Account in the year of sale.
- If the sale is for a value higher than the NBV, the excess provision is written back in the year the amounts are received.

Profits on sale of investments in the Held to Maturity (HTM) category are appropriated to Capital Reserve (net of applicable taxes and amount required to be transferred to Statutory Reserve). Any gain or loss on sale of equity instruments designated under AFS is transferred from AFS-Reserve to the Capital Reserve (net of applicable taxes and amount required to be transferred to Statutory Reserve). As against this, gain or loss on sale of debt instruments in AFS category is transferred from AFS-Reserve to the Profit & Loss Account.

e) Foreign Exchange Transactions

Income and expenditure items are recorded at the exchange rates prevailing on the date of the transaction. Assets and liabilities denominated in foreign currencies as at the Balance Sheet date are revalued at the year-end rates as notified by Foreign Exchange Dealers Association of India (FEDAI). Net exchange differences arising on the settlement of transactions and on account of assets and liabilities are charged or credited to the Profit and Loss account as prescribed by RBI.

Outstanding forward exchange contracts are revalued at rates of exchange notified by FEDAI and the resulting profits or losses are included in the Profit and Loss account. Guarantees and Acceptances, endorsements and other obligations are stated at the year-end closing rate as notified by FEDAI.

f) Derivatives

Derivatives are financial instruments whose characteristics are derived from an underlying asset, or from interest and exchange rates or indices. The Bank undertakes over the counter and Exchange Traded derivative transactions for Balance Sheet management and also for proprietary trading/market making whereby the Bank offers OTC derivative products to the customers to enable them to hedge their interest rate and currency risks within the prevalent regulatory guidelines. Currently the bank is dealing in FX forward contracts, Cross Currency Swaps, Interest Rate Swaps, Long-term Forex contracts, FX Swaps & FX Options etc.

Trading derivatives are marked to market as per the generally accepted practices prevalent in the industry and the resultant unrealized gain or loss is recognized in the Profit and Loss Account, with the corresponding net unrealized amount reflected in "Other Assets" or "Other Liabilities and provisions" in the Balance Sheet.

Forward Exchange contracts and other derivative contracts which have overdue receivables remaining unpaid for over 90 days or more are classified as non-performing assets and are provided as prescribed by RBI.

The Bank also maintains a general provision on derivative exposures computed on the positive mark-to-market value of the contracts in accordance with the RBI guidelines.

The Bank has undertaken funding swaps to hedge certain loans and deposits. Premium/discount on such funding swaps is recognized as interest income/expense and is amortized on a pro-rata basis over the underlying swap period.

g) Investments

Investments are accounted for in accordance with the extant RBI guidelines on investment classification and valuation, as given below:

Classification

Investments are classified under "Held to Maturity" (HTM), "Available for Sale" (AFS) and "Fair Value through Profit and Loss" (FVTPL) with a subcategory named Held for Trading (HFT).

The category of the investment is decided at the time of acquisition of investment.

HTM Investment: The securities under HTM are acquired with the intention and objective of holding it till maturity. Further, the security's cash flows are solely towards payments of principal and interest on principal outstanding i.e. they meet 'SPPI criterion'.

AFS Investment: The securities under AFS are acquired with an objective to achieve both, collecting contractual cash flows and selling securities. Investment under AFS classification also meets the SPPI criteria. AFS investments aid in managing bank's asset liability management (ALM), where the bank's intent is flexible with respect to holding to maturity or selling before maturity.

FVTPL Investments: Securities that do not qualify for inclusion in HTM or AFS (due to intention of acquisition or does not meet SPPI criteria) are classified under FVTPL.

Held for Trading (HFT) is a separate investment subcategory within FVTPL categories. Investments under HFT are classified when the purpose of acquisition is towards short-term resale, profiting from short-term price movements, locking in arbitrage profits or hedging risks that arise from HFT instruments.

For the purpose of disclosure of balance sheet, they are classified under 6 groups viz. i) Government Securities, ii) Other Approved Securities, iii) Shares, iv) Debentures and Bonds v) Subsidiaries and / or joint ventures and vi) Other Investments.

Purchase and sale transactions in securities are recorded under settlement date of accounting, except in the case of equity shares where trade date accounting is followed.

Initial Recognition of investments:

The transactions in all securities are measured at fair value on initial recognition with a presumption that acquisition cost is the fair value. Fair value measurements are categorised into following 3 fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable

- i. **"Level 1"** - wherein inputs used for valuation of a financial instrument are quoted prices (unadjusted) in active markets for identical instruments that the bank can access at the measurement date.
- ii. **"Level 2"** - wherein inputs used for valuation of a financial instrument are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly (such as yield curve, credit spread etc.)
- iii. **"Level 3"** - wherein valuation is based on unobservable inputs

Recognition of Day 1 Gain/Loss:

- i. Day 1 gain / loss arising in initial recognition of Level 1 and Level 2 hierarchy, is recognised in the Profit and Loss Account, under item III - 'Profit/Loss on revaluation of investments(net)' under Schedule 14: 'Other Income'.
- ii. Any Day 1 loss arising from Level 3 investments is recognised immediately.
- iii. Any Day 1 gains arising from Level 3 investments is deferred. In the case of debt instruments, the Day 1 gain is amortised on a straight-line basis up to the maturity date (or earliest call date for perpetual instruments)

Valuation

Investments held under HTM category are not market to market and carried at acquisition cost. If the acquisition cost is more than or less than the face value, the premium or discount is amortised over the remaining tenor of the investments.

Investments classified under AFS and FVTPL (including HFT) portfolio are marked to market on daily basis. Any discount or premium on the acquisition of debt securities under AFS and FVTPL (including HFT) portfolio is amortised over the remaining tenor of the investments. Investments under AFS and FVTPL (including HFT) classification are valued as per rates declared by Financial Benchmarks India Pvt. Limited (FBIL) and in accordance with the RBI guidelines. The net appreciation or depreciation in the case of AFS is directly credited or debited to AFS-Reserve without routing through the Profit & Loss Account.

Treasury Bills, Commercial Paper and Certificate of Deposit are valued at carrying cost.

The valuation of other unquoted fixed income securities (viz. State government securities, Other approved securities, bonds and debentures) wherever linked to the YTM rates, is computed with a mark-up (reflecting associated credit and liquidity risk) over the YTM rates for government securities published by FBIL.

Investments in pass-through certificates (PTC's) except under HTM portfolio are valued by adopting base yield curve and FIMMDA spread matrix relative to weighted average maturity of the security.

The Bank undertakes short sale transactions in dated central government securities in accordance with RBI guidelines. The short positions are categorized under HFT category and are marked to market. The resultant mark-to-market gains/losses are accounted as per the relevant RBI guidelines.

Broken period interest is accounted as per the RBI guidelines.

Cost of investments is based on the weighted average cost method.

Quoted equity shares are valued at their closing price on a recognized stock exchange. Unquoted equity shares are valued at the break-up value if the latest Balance Sheet is available or at ₹1 as per the RBI guidelines.

In case of sale of NPA (financial asset) to Securitization Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts (SR), investment in SR is recognized at lower of: (i) Net Book Value (NBV) (i.e., book value less provisions held) of the financial asset; and (ii) Redemption value of SR.

Investments in Security receipts ('SR') issued against loans transferred by the Bank is more than 10 percent of all SRs issued against the transferred asset, provision for depreciation is made higher of: (i) provision required based on NAV disclosed by the assets reconstruction company; and (ii) the provision as per IRAC norms, assuming that the loan notionally continued in the books of the Bank.

SRs issued by an SC/ ARC are valued in accordance with the guidelines applicable to non-SLR instruments. Accordingly, in cases where the SRs issued by the SC/ ARC are limited to the actual realization of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ ARC, is reckoned for valuation of such investments.

Non-Performing Investments are identified, and provision is made as per RBI guidelines.

Investment Fluctuation Reserve

In accordance with the RBI Circular DBR.No.BP.BC.102/21.04.048/2017-18, an Investment Fluctuation Reserve was created to protect against systemic impact of sharp increase in the yields on Government Securities. As required by the aforesaid circular the transfer to this reserve shall be lower of the following – i) net profit on sale of investments during the year; ii) net profit for the year less mandatory appropriations, until the amount of the reserve is at least 2 percent of the FVTPL (including HFT) and AFS portfolio, on a continuing basis. The bank may, at its discretion, draw down the balance available in IFR in excess of 2 percent of its FVTPL (including HFT) and AFS portfolio and disclose the same at the end of any accounting year.

Transfer of Securities between Classifications

The reclassification between the categories (viz. HTM, AFS and FVTPL (including HFT)) if any, is done with approval of the Board and prior approval of the RBI. The reclassification is applied prospectively from reclassification date and is accounted in compliance with RBI guidelines.

Repurchase transactions

Repurchase and reverse repurchase transactions (if any) are accounted in accordance with the prescribed RBI guidelines. The difference between the clean price of the first leg and the second leg is recognized as interest income/expense over the period of the transaction in the Profit and Loss account.

Others

Brokerage, fees and commission on acquisition of securities including money market instruments, are recognized as expenses in Profit and Loss account.

h) Advances

The Bank follows prudential norms formulated by RBI for classifying the assets as Standard, Sub-Standard, Doubtful and Loss assets and are stated at net of the required provision made on non-performing advances. Provision for advances classified as Standard, Sub-Standard, Doubtful & Loss assets are made based on management's assessment, subject to minimum provisions as per RBI guidelines. In addition to the provisions required to be held according to the assets classifications status, provisions are held for country exposures as per RBI guidelines. Further the Bank also maintains a provision on unhedged foreign currency exposures as per the RBI guidelines.

i) Fixed Assets

Office Premises is stated at revalued amount less accumulated depreciation / amortization and all other Fixed Assets are stated at cost less accumulated depreciation / amortization. Capital work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at the reporting date.

Depreciation on the Fixed Assets is charged on straight-line method over the useful life of the fixed assets prescribed in Schedule II of the Companies Act, 2013. The useful life of the group of fixed assets are given below.

Type of Assets	Useful life as per Companies Act, 2013	Useful life as per Bank's Accounting Policy
Office Premises	60 years	60 years
Office equipment (including Air conditioner)	5 years	5 years
EDP Equipment's, Computers*	6 years	3 years
Software*	6 years	3 years
Furniture & Fixtures	10 years	10 years
Motor Car	8 years	8 years

* As per RBI guidelines

Revaluation of Fixed Assets

Premises are revalued every three years by an independent valuer to reflect current market valuation. Appreciation, if any, on revaluation is credited to Revaluation Reserve. Depreciation on the revalued portion of asset is adjusted from revaluation reserves.

Impairment of Assets

An asset is considered as impaired when at the balance sheet date, there are indications that the assets may be impaired and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e., the higher of the asset's net selling price and value-in-use). The Bank assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to the recoverable amount and the impairment loss is recognized as an expense in the Profit and Loss Account.

j) Retirement and employee benefits

- i) Leave salary** - The employees of the Bank are entitled to carry forward leave balance to the subsequent year which must be utilized within 90 days. This carried forward balance is not cashable at the time of either retirement or resignation.
- ii) Gratuity** - The Bank provides for gratuity, a defined benefit retirement plan, covering eligible employees. The plan provides for lump sum payments to vested employees at retirement or upon death while in employment or on termination of employment for an amount equivalent to 15 days' eligible salary payable for each completed year of service if the service is more than 5 years. The Bank accounts for the liability for future gratuity benefits using the projected unit cost method based on annual actuarial valuation. Gratuity fund is being managed by "LIC Group Gratuity Scheme" and any actuarial gain / loss contribution determined by the actuary are charged to Profit and Loss account and are not deferred.
- iii) Provident fund** - In accordance with law, all employees of the Bank are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Bank contribute monthly at a pre-determined rate. Contribution to provident fund is recognized as expense as and when the services are rendered. The Bank has no liability for future provident fund benefits other than its annual contribution.
- iv) New Pension Scheme (NPS)** - In respect of employees who opt for contribution to the NPS, the Bank contributes certain percentage of the basic salary of employees to the aforesaid scheme, a defined contribution plan, which is managed and administered by pension fund management companies. The Bank has no liability other than its contribution and recognizes such contributions as an expense in the year incurred.

k) Net Profit / Loss

Profit/Loss for the year is arrived at after providing for non-performing advances, adjustments on valuation of investments, taxes on income, depreciation on fixed assets and other necessary and mandatory provisions.

l) Taxation

Taxes on income are accounted for in accordance with Accounting Standard (AS 22) on "Accounting for Taxes on Income" and comprise current and deferred tax. Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and laws in respect of taxable income for the year, in accordance with the Income tax Act, 1961.

Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e., differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets arising on account of carry forward losses and unabsorbed depreciation under tax laws are recognized only if there is virtual certainty of its realization, supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets on account of other timing differences are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

The Bank has exercised option referred u/s 115BAA with respect to tax rate, accordingly Minimum Alternative Tax ('MAT') provision u/s 115JB are not applicable on Bank.

m) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating leases. Lease transactions are accounted for in accordance with AS 19 – Leases. For operating leases, lease payments are recognized as an expense in the statement of Profit and Loss account on a straight-line basis over the lease term.

n) Accounting for Provisions, Contingent Liabilities and Contingent Assets

The Bank has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long-term contracts. In accordance with Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Bank recognizes a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are measured based on the best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

In cases where the available information indicates that the loss on the contingency is reasonably possible, but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Bank does not expect the outcome of these contingencies to have a materially adverse effect on its financial results. Contingent assets are neither recognized nor disclosed in the financial statements.

o) Floating and countercyclical provision

Countercyclical provisioning buffers and floating provisions is the specific amount that the Bank sets aside in good times. The floating provisions can be used only for contingencies under extraordinary circumstances for making specific provisions in impaired accounts after obtaining board's approval and with prior permission of RBI.

p) Cash Flow Statement

Cash Flow Statement is prepared using the indirect method set out in Accounting Standard 3 on "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the Bank. Cash and Cash Equivalents, consist of Cash and Balances with Reserve Bank of India and Balances with Banks and Money at Call and Short Notice (including effect of changes in exchange rates on cash and cash equivalents in foreign currency).

q) Earnings per share

The Bank reports basic and diluted earnings per share in accordance with AS 20 – "Earnings Per Share". Earnings per share is calculated by dividing the Net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted Earnings Per Share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding as at the end of the period.

r) Segment Information

The disclosure relating to segment information is in accordance with AS-17, Segment Reporting and as per guidelines issued by RBI.

SCHEDULE 17. B: - NOTES TO THE FINANCIAL STATEMENTS

1. Regulatory Capital

a) Composition of Regulatory Capital

The Banks are required to disclose Capital adequacy ratio computed under Basel III capital guidelines of the RBI.

(₹ in Crore)

Sr. No.	CRAR ratio as per Basel III	March 31, 2025	March 31, 2024
i)	Common Equity Tier 1 capital (CET 1) / Paid up share Capital and reserves (net of deductions, if any)	767.17	747.81
ii)	Additional Tier 1 Capital/ Other Tier 1 Capital	-	-
iii)	Tier 1 Capital (i + ii)	767.17	747.81
iv)	Tier 2 Capital	255.08	279.34
v)	Total Capital (Tier 1+Tier 2)	1,022.25	1,027.15
vi)	Total Risk Weighted Assets (RWAs)	6,588.59	6,078.91
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs) / Paid-up share Capital and reserves as percentage of RWAs	11.64%	12.30%
viii)	Tier 1 Ratio (Tier 1 Capital as a percentage of RWAs)	11.64%	12.30%
ix)	Tier 2 Ratio (Tier 2 Capital as a percentage of RWAs)	3.88%	4.60%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	15.52%	16.90%
xi)	Leverage Ratio	6.23%	6.92%

(₹ in Crore)

Sr. No.	CRAR ratio as per Basel III	March 31, 2025	March 31, 2024
xii)	Percentage of the shareholding of the Government of India in public sector banks	-	-
	a) Government of India	-	-
	b) State Government	-	-
	c) Sponsor Bank	-	-
xiii)	Amount of paid-up equity Capital raised during the year*	80	100
xiv)	Amount of non-equity Tier 1 Capital raised during the year, of which:		
	a) Basel III compliant Perpetual Non-Cumulative Preference Shares		
	b) Basel III compliant Perpetual Debt Instruments	-	-
xv)	Amount of Tier 2 capital raised during the year, of which	-	-
	a) BASEL III Compliant Non-Convertible Debentures	-	-

* Including Share premium of ₹0.24 Crore (Previous Year: ₹2.25 Crore)

b) Draw down from Reserves

As per "Master Direction on Classification, Valuation and Operation of Investment Portfolio issued on September 12, 2023 - Spreading of MTM losses and creation of Investment Fluctuation Reserve (IFR)", a bank may at its discretion, draw down the balance available in IFR in excess of 2 percent of its AFS and FVTPL (including HFT) portfolio, for credit to the balance of profit/loss as disclosed in the profit and loss account at the end of any accounting year. During FY 2024-25, the bank has drawn down ₹ 24.22 Crore from investment fluctuation reserve which was in excess of 2% of bank's AFS and FVTPL (including HFT) portfolio (Previous Year: ₹ 1.68 Crore). Also Refer Schedule 2 – Reserves and Surplus.

2. Asset Liability Management

a) Maturity pattern of certain items of Assets and Liabilities

The following table presents the maturity pattern of Assets and Liability pattern as on March 31, 2025

(₹ in Crore)

Particulars	Day 1	2 to 7 days	8 to 14 Days	15 to 30 Days	31 days and upto 2 months	Over 2 months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	208.38	466.13	188.35	283.71	433.72	538.94	921.63	1,822.39	2,391.68	408.46	36.07	7,699.46
Advances*	80.81	160.65	24.82	5.34	179.26	56.08	143.21	286.05	2,588.74	537.16	732.24	4,794.36
Investments	691.28	-	-	10.63	20.94	19.00	27.09	392.47	189.76	153.22	707.31	2,211.70
Borrowings**	-	-	1.11	-	56.11	206.84	18.19	180.00	75.00	-	224.00	761.25
Foreign Currency Assets	20.25	-	-	-	6.42	32.05	-	1.97	-	-	37.88	98.57
Foreign Currency Liabilities	21.31	57.77	1.41	22.03	52.24	44.86	131.88	333.61	457.91	332.25	-	1,455.27

*Excluding Inter-Bank Participating Certificate Borrowing

**Including Inter-Bank Participating Certificate Borrowing

The following table presents the maturity pattern of Assets and Liability pattern as on March 31, 2024

(₹ in Crore)

Particulars	Day 1	2 to 7 days	8 to 14 Days	15 to 30 Days	31 days and upto 2 months	Over 2 months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	305.47	502.83	219.62	240.87	266.72	318.62	579.63	1,587.10	2,627.73	430.43	33.96	7,112.98
Advances	80.68	162.06	29.23	21.13	284.30	73.00	69.96	264.38	2,326.33	662.97	702.16	4,676.20
Investments	1,838.61	-	-	43.13	164.99	41.35	133.78	244.61	369.29	88.33	133.29	3,057.38
Borrowings	-	-	1.11	-	1.11	43.11	45.33	90.66	321.52	-	224.00	726.84
Foreign Currency Assets	35.89	-	-	-	8.35	18.48	2.38	-	3.85	-	49.23	118.18
Foreign Currency Liabilities	84.67	36.34	3.16	5.52	3.36	1.84	39.84	181.28	550.22	365.28	2.82	1,274.33

b) Liquidity Coverage Ratio (LCR)

The Basel Committee for Banking Supervision (BCBS) had introduced the Liquidity Coverage Ratio (LCR) in order to ensure that a bank has an adequate stock of unencumbered High Quality Liquid Assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. The applicable minimum LCR required to be maintained by banks is 100% as on March 31, 2025.

Quantitative Disclosure

FY 2024-25

(₹ in Crore)

		June 30, 2024		September 30, 2024		December 31, 2024		March 31, 2025	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)		2,325.19		2,591.39		2,948.23		2,824.42
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	2,896.64	289.66	3,092.03	309.20	3,737.61	373.76	3,672.38	367.24
(i)	Stable deposits	-	-	-	-	-	-	-	-
(ii)	Less stable deposits	2,896.64	289.66	3,092.03	309.20	3,737.61	373.76	3,672.38	367.24
3	Unsecured wholesale funding, of which:	2,112.00	1,140.10	2,167.47	1,195.66	2,399.53	1,367.81	2,491.14	1,476.42
(i)	Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	2,112.00	1,140.10	2,167.47	1,195.66	2,399.53	1,367.81	2,491.14	1,476.42
(iii)	Unsecured debt	-	-	-	-	-	-	-	-
4	Secured wholesale funding		-		-		-		-
5	Additional requirements, of which	792.58	116.21	725.07	97.24	706.35	99.48	830.80	128.57
(i)	Outflows related to derivative exposures and other	7.81	7.81	3.11	3.11	6.28	6.28	17.91	17.91
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	784.77	108.40	721.96	94.13	700.07	93.20	812.89	110.66
6	Other contractual funding obligations	207.27	207.27	235.23	235.23	293.95	293.95	277.28	277.28
7	Other contingent funding obligations	1,622.16	48.77	1,714.89	51.58	1,937.75	58.24	2,028.39	60.96
8	TOTAL CASH OUTFLOWS		1,802.01		1,888.91		2,193.24		2,310.47
Cash Inflows									
9	Secured lending (e.g. reverse repos)	-	-	76.09	-	-	-	-	-
10	Inflows from fully performing exposures	52.13	44.66	47.12	40.39	85.84	67.96	226.34	218.50
11	Other cash inflows	57.49	32.52	89.16	45.92	144.67	77.25	57.15	37.96
12	TOTAL CASH INFLOWS	109.62	77.18	212.37	86.31	230.51	145.21	283.49	256.46
13	TOTAL HQLA		2,325.19		2,591.39		2,948.23		2,824.42
14	TOTAL NET CASH OUTFLOWS		1,724.83		1,802.60		2,048.03		2,054.01
15	LIQUIDITY COVERAGE RATIO (%)		134.81%		143.76%		143.95%		137.51%

Quantitative Disclosure

FY 2023-24

(₹ in Crore)

		June 30, 2023		September 30, 2023		December 31, 2023		March 31, 2024	
		Total Un weighted Value (average)	Total Weighted Value (average)	Total Un weighted Value (average)	Total Weighted Value (average)	Total Un weighted Value (average)	Total Weighted Value (average)	Total Un weighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)		2,672.47		2,604.02		2,720.36		2,378.58
Cash Outflows									
2	Retail deposits and deposits from small business customers, of which:	1,867.09	186.71	1,821.02	182.10	1,858.95	185.90	2,494.21	246.68
(i)	Stable deposits	-	-	-	-	-	-	-	-
(ii)	Less stable deposits	1,867.09	186.71	1,821.02	182.10	1,858.95	185.90	2,494.21	246.68
3	Unsecured wholesale funding, of which:	2,465.47	1,412.94	2,273.35	1,274.32	2,150.08	1,255.25	2,258.69	1,318.18
(i)	Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii)	Non-operational deposits (all counterparties)	2,465.47	1,412.94	2,273.35	1,274.32	2,150.08	1,255.25	2,258.69	1,318.18
(iii)	Unsecured debt	-	-	-	-	-	-	-	-
4	Secured wholesale funding		-		-		-		-
5	Additional requirements, of which	793.15	112.95	877.88	127.39	864.82	131.74	823.77	117.41
(i)	Outflows related to derivative exposures and other	7.01	7.01	6.10	6.10	8.16	8.16	6.35	6.28
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	786.14	105.94	871.78	121.29	856.66	123.58	817.42	111.13
6	Other contractual funding obligations	226.18	226.18	185.22	185.22	186.38	186.38	168.98	167.12
7	Other contingent funding obligations	1,699.11	51.15	1,733.73	52.19	1,692.41	50.92	1,514.69	45.07
8	TOTAL CASH OUTFLOWS		1,989.93		1,821.22		1,810.19		1,894.46
Cash Inflows									
9	Secured lending (e.g. reverse repos)	6.59	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	197.07	112.12	269.59	172.90	251.07	166.02	258.42	157.17
11	Other cash inflows	83.16	44.33	59.35	32.52	55.57	31.62	58.33	31.39
12	TOTAL CASH INFLOWS	286.82	156.45	328.94	205.42	306.64	197.64	316.75	188.56
13	TOTAL HQLA		2,672.47		2,604.02		2,720.36		2,378.58
14	TOTAL NET CASH OUTFLOWS		1,833.48		1,615.80		1,612.55		1,705.90
15	LIQUIDITY COVERAGE RATIO (%)		145.76%		161.16%		168.70%		139.43%

Qualitative disclosure

The Reserve Bank of India has prescribed monitoring of sufficiency of Bank's liquid assets using Basel III – Liquidity Coverage Ratio (LCR). The LCR is aimed at measuring and promoting short-term resilience of Banks to potential liquidity disruptions by ensuring maintenance of sufficient high-quality liquid assets (HQLAs) to survive in acute stress scenario lasting for 30 days.

The ratio comprises of high-quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. HQLA has been divided into two parts i.e., Level 1 HQLA which comprises of primarily cash, excess CRR, excess SLR and a portion of mandatory SLR as permitted by RBI (under MSF and FALLCR) and Level 2 HQLA which normally contains the liquid Corporate Securities. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by the outflow run-off rates and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in within next 30 days.

For classification of deposits, the Bank segregates its deposits into various customer segments, viz Retail (which includes deposits from individuals), Corporate (which includes deposits from corporates) and Others (which includes all other residuary deposits including from Financial Counterparties).

	Line items significant to LCR	Explanatory Note
A	The main drivers of the LCR results and the evolution of the contribution of inputs to the LCR's calculation	The main drivers of LCR results are: 1. High Quality Liquid Asset (HQLA) is one of the major drivers of LCR; the major portion of HQLA consists of the facility to avail liquidity under Marginal Standing Facility (MSF), FALLCR & excess SLR investments. 2. Cash Outflow is another major driver of LCR. The main components of cash outflows are less stable retail deposits, funding from other legal entity, Funding from corporate entity, Funding from financial entity and net derivative cash outflow. 3. Another major driver of LCR is Cash Inflow. The main components of cash inflows are inflows by counterparty and net derivative cash inflow.
B	Intra-period changes as well as changes over time	Not Applicable
C	The composition of HQLA	The HQLA comprises of the following: 1. Level 1 assets comprises of SDF surplus SLR investments (net of encumbered against REPO, CBLO, MSF, CROMS, other securities pledged for RTGS, SGF, MCX, NSCCL etc.) and 2% of NDTL applicable for MSF and 16.00% of NDTL (FALLCR) as per RBI circular no. RBI/2022-23/25DOR. LRG.REC.19/21.04.098/2022-23. 2. Level 2A assets comprises of Special (Discom) Bonds issued by State Government, Bonds issued by State Power Distribution Companies, Central Government PSUs excluding the finance companies and bonds of private corporates having rating of AA - and above excluding the finance companies. 3. Level 2B assets comprises of bonds of corporates having ratings of BBB- to A+ excluding the finance companies. 4. Level 2B assets also comprises of NIFTY/SENSEX shares excluding the finance companies.
D	Concentration of funding sources	Bank addresses the funding concentration by monitoring their funding from each significant counterparty, each significant product / instrument and each significant currency ('significant' is defined as aggregate amount is more than 1% of the bank's liabilities)

E	Derivative exposures and potential collateral calls	Derivative exposure of the bank consists Forward transactions, cross currency swap, interest rate swaps, options and other RMC approved derivative investments. The Bank has considered the mark-to-market amounts for computing the net cash flows from derivative transactions including the CCIL deals in the LCR computation.
F	Currency mismatch in the LCR	To capture potential currency mismatches, the LCR in each significant currency is monitored. A currency is considered as "significant" if the aggregate liabilities denominated in that currency amount to 5 per cent or more of the bank's total liabilities. Besides, the LCR in all currencies, the bank also monitors the LCR in US Dollar currency, as it qualifies as significant currency under RBI guidelines.
G	Degree of centralization of liquidity management and interaction between the group's units	Liquidity management in the bank is centralized and monitored by ALM & Treasury team. Interaction between Treasury, ALM team & other functional units are seamless.
H	Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile	None
I	Other Information	None

The average LCR for the quarter ended March 31, 2025 was at 137.51% as against 139.43% for the quarter ended March 31, 2024 and above the present prescribed minimum requirement of 100%. The average HQLA for the quarter ended March 31, 2025 was ₹ 2,824.42 Crore as against was ₹ 2,378.58 Crore for the quarter ended March 31, 2024.

c) Net Stable Funding ratio (NSFR)

Qualitative Disclosure

The Net Stable Funding Ratio (NSFR) measures the extent to which assets are funded with stable sources of funding so that the risk of future funding stress can be mitigated. The RBI prescribes a minimum NSFR of 100%. Available Stable Funding (ASF) is calculated by applying weightages to capital and liabilities to reflect the portion that is expected to be available over a one-year time horizon. Required Stable Funding (RSF) captures the liquidity characteristics of the assets and the expectation that these assets and off-balance sheet exposures will require funding over the next year. The maturity of assets is taken as being the latest possible date at which the asset may mature. The aim of NSFR requirements is to restrict maturity mismatches between assets and liabilities and limit the reliance on unstable short-term funding to finance potentially illiquid long-term assets. The NSFR reduces long-term refinancing risk and assesses resilience over longer-term time horizon (over 1 year) of the Bank by measuring the extent of stable sources of funds with the Bank to fund its long-term assets. The NSFR shows a bank's ability to manage structural liquidity risk over a one-year horizon. It ensures that a bank's long-term illiquid assets are funded with a minimum amount of stable long-term funding.

As of 31st March 2025, Bank maintains the Available Stable Funding (ASF) ₹ 5,966.82 Crore (Previous Year: ₹ 5,791.79 Crore) and total Required Stable funding (RSF) at ₹ 4,413.53 Crore (Previous Year: ₹ 4,259.48 Crore). The RSF is primarily driven by total regulatory capital, deposits from retail customers, small business customers and non-financial corporate customers. Required Stable Funding (RSF) is primarily driven by unencumbered performing loans with risk weights greater than 35% under the Standardized Approach. NSFR is sensitive to the composition of assets and liabilities and movements due to positions falling / moving into the NSFR 1-year tenor.

NSFR for all the quarters of Financial year 2024-25 have been disclosed below.

Quantitative Disclosure

(₹ in Crore)

NSFR Disclosure Template	June 30, 2024				September 30, 2024				December 31, 2024				March 31, 2025							
	Unweighted value by residual maturity				Weighted Value	Unweighted value by residual maturity				Weighted Value	Unweighted value by residual maturity				Weighted Value					
	No Maturity*	<6 months	6 months to <1 Year	=1 year		No Maturity*	<6 months	6 months to <1 Year	=1 year		No Maturity*	<6 months	6 months to <1 Year	=1 year						
ASF Item																				
1 Capital: (2+3)	848.13	-	-	224.00	1,072.13	812.44	-	-	224.00	1,036.44	811.41	0.00	0.00	224.00	1,035.41	798.25	0.00	0.00	224.00	1,022.25
2 Regulatory capital	848.13	-	-	224.00	1,072.13	812.44	-	-	224.00	1,036.44	811.41	0.00	0.00	224.00	1,035.41	798.25	0.00	0.00	224.00	1,022.25
3 Other capital instruments	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4 Retail deposits and deposits from small business customers: (5+6)	1,023.31	604.12	812.03	1,247.25	3,320.78	795.73	790.26	822.56	1,297.22	3,336.10	923.41	845.44	688.84	1,329.39	3,409.41	937.47	758.34	688.97	1,324.71	3,339.34
5 Stable deposits	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6 Less stable deposits	1,023.31	604.12	812.03	1,247.25	3,320.78	795.73	790.26	822.56	1,297.22	3,336.10	923.41	845.44	688.84	1,329.39	3,409.41	937.47	758.34	688.97	1,324.71	3,339.34
7 Wholesale funding: (8+9)	555.80	889.50	1,433.51	611.02	1,487.27	1,054.44	1,172.32	1,199.44	614.05	1,410.80	555.26	1,755.31	909.30	468.38	1,341.41	619.90	1,777.60	1,364.79	502.81	1,605.22
8 Operational deposits	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9 Other wholesale funding	555.80	889.50	1,433.51	611.02	1,487.27	1,054.44	1,172.32	1,199.44	614.05	1,410.80	555.26	1,755.31	909.30	468.38	1,341.41	619.90	1,777.60	1,364.79	502.81	1,605.22
10 Other liabilities: (11+12)	341.84	53.65	29.36	-	-	287.54	52.18	36.70	-	-	335.92	106.21	47.52	0.00	0.00	407.84	133.08	54.49	0.00	0.00
11 NSFR derivative liabilities	32.95	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00	0.00	9.01	0.00	0.00	0.00	0.00
12 All other liabilities and equity not included in the above categories	308.89	53.65	29.36	-	-	287.54	52.18	36.70	-	-	335.92	106.21	47.52	0.00	0.00	398.83	133.08	54.49	0.00	0.00
13 Total ASF (1+4+7+10)	2,769.09	1,547.27	2,274.90	2,082.27	5,880.18	2,950.16	2,014.77	2,058.70	2,135.27	5,783.35	2,626.00	2,706.96	1,645.67	2,021.77	5,786.22	2,763.46	2,669.02	2,108.26	2,051.52	5,966.82
RSF Item																				
14 Total NSFR high-quality liquid assets (HQLA)	-	-	-	-	118.67	-	-	-	-	86.06	-	-	-	-	116.24	-	-	-	-	101.39
15 Deposits held at other financial institutions for operational purposes	21.60	-	-	-	10.80	22.67	-	-	-	11.33	15.79	-	-	-	7.90	20.92	-	-	-	10.46
16 Performing loans and securities: (17+18+19+21+23)	-	1,183.09	430.37	3,184.16	3,559.89	-	1,043.81	636.40	3,070.19	3,486.66	-	1,254.22	568.19	3,024.80	3,490.40	-	1,050.57	462.72	3,133.68	3,420.71
17 Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	113.11	74.52	677.27	731.49	-	139.39	151.23	670.12	766.64	-	194.66	181.92	597.17	717.33	-	184.68	142.69	517.70	616.75
19 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	1,068.19	335.61	2,299.67	2,646.55	-	903.88	466.81	2,224.41	2,566.97	-	1,058.51	371.02	2,297.57	2,667.75	-	865.49	302.86	2,544.39	2,738.34
20 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	15.57	-	99.59	115.16	-	14.31	-	107.65	121.96	-	13.08	-	99.87	91.42	-	12.31	-	149.13	161.45
21 Performing residential mortgages, of which:	-	-	20.25	80.25	72.41	-	-	18.35	75.38	67.35	-	-	15.25	68.76	52.32	-	-	17.17	63.65	58.54
22 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	20.25	80.25	72.41	-	-	18.35	75.38	67.35	-	-	15.25	68.76	52.32	-	-	17.17	63.65	58.54
23 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	1.79	-	126.97	109.45	-	0.55	-	100.28	85.70	-	1.06	-	61.30	53.00	-	0.40	-	7.94	7.09
24 Other assets: (sum of rows 25 to 29)	552.76	97.93	22.90	26.06	639.31	600.52	88.28	27.04	19.46	676.90	649.60	68.58	21.46	8.49	703.80	677.78	91.04	41.33	20.77	760.87
25 Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	79.95	-	-	-	67.95	98.15	-	-	-	83.43	97.49	-	-	-	82.86	136.86	-	-	-	116.33
27 NSFR derivative assets	-	-	-	-	-	7.90	-	-	-	7.90	0.62	-	-	-	0.62	-	-	-	-	-
28 NSFR derivative liabilities before deduction of variation margin posted	8.28	-	-	-	8.28	5.00	-	-	-	5.00	9.11	-	-	-	9.11	7.95	-	-	-	7.95
29 All other assets not included in the above categories	464.53	97.93	22.90	26.06	563.07	489.47	88.28	27.04	19.46	580.58	542.38	68.58	21.46	8.49	611.21	532.98	91.04	41.33	20.77	636.59
30 Off-balance sheet items	2,769.73	-	-	-	105.38	2,989.20	-	-	-	112.07	3,227.18	-	-	-	119.74	3,265.58	-	-	-	120.10
31 Total RSF	3,344.09	1,281.02	453.27	3,210.22	4,434.00	3,612.39	1,132.09	663.44	3,089.65	4,372.98	3,892.57	1,322.81	589.65	3,033.29	4,438.04	3,964.28	1,141.61	504.05	3,154.45	4,413.53
32 Net Stable Funding Ratio (%)	-	-	-	-	132.62%	-	-	-	-	132.25%	-	-	-	-	130.38%	-	-	-	-	135.19%

* Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.

NSFR for all the quarters of Financial year 2023-24 have been disclosed below.

Quantitative Disclosure

(₹ in Crore)

NSFR Disclosure Template	June 30, 2023					September 30, 2023					December 31, 2023					March 31, 2024					
	Unweighted value by residual maturity			Weighted Value	Unweighted value by residual maturity			Weighted Value	Unweighted value by residual maturity			Weighted Value	Unweighted value by residual maturity			Weighted Value					
	No Maturity*	<6 months	6 months to <1 Year		No Maturity*	<6 months	6 months to <1 Year		No Maturity*	<6 months	6 months to <1 Year		No Maturity*	<6 months	6 months to <1 Year						
ASF Item																					
1	Capital: (2+3)	749.96	-	-	224.00	973.96	742.92	-	-	224.00	966.92	723.35	0.00	0.00	224.00	947.35	803.15	0.00	0.00	224.00	1,027.15
2	Regulatory capital	749.96	-	-	224.00	973.96	742.92	-	-	224.00	966.92	723.35	0.00	0.00	224.00	947.35	803.15	0.00	0.00	224.00	1,027.15
3	Other capital instruments	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Retail deposits and deposits from small business customers: (5+6)	751.30	446.47	686.08	1,315.06	2,957.71	803.28	517.43	674.72	1,396.00	3,142.23	780.42	639.74	757.67	1,316.52	3,237.55	715.82	578.05	759.79	1,325.78	3,043.95
5	Stable deposits	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Less stable deposits	751.30	446.47	686.08	1,315.06	2,957.71	803.28	517.43	674.72	1,396.00	3,142.23	780.42	639.74	757.67	1,316.52	3,237.55	715.82	578.05	759.79	1,325.78	3,043.95
7	Wholesale funding: (8+9)	930.34	1,463.19	954.69	798.55	1,769.38	871.96	1,676.61	755.38	792.09	1,779.12	905.53	1,162.98	636.53	717.56	1,494.32	1,059.96	1,231.32	963.49	938.60	1,720.70
8	Operational deposits	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Other wholesale funding	930.34	1,463.19	954.69	798.55	1,769.38	871.96	1,676.61	755.38	792.09	1,779.12	905.53	1,162.98	636.53	717.56	1,494.32	1,059.96	1,231.32	963.49	938.60	1,720.70
10	Other liabilities: (11+12)	201.26	807.82	19.07	-	-	267.08	97.86	21.55	-	-	227.01	57.49	21.80	0.00	0.00	281.87	58.22	24.19	0.00	0.00
11	NSFR derivative liabilities	3.81	-	-	-	-	6.26	-	-	-	-	0.00	0.00	0.00	0.00	0.00	18.36	0.00	0.00	0.00	0.00
12	All other liabilities and equity not included in the above categories	197.45	807.82	19.07	-	-	260.82	97.86	21.55	-	-	227.01	57.49	21.80	0.00	0.00	263.51	58.22	24.19	0.00	0.00
13	Total ASF (1+4+7+10)	2,632.86	2,717.48	1,659.84	2,337.61	5,701.05	2,685.24	2,291.90	1,451.65	2,412.09	5,888.27	2,636.31	1,860.21	1,416.00	2,258.08	5,679.21	2,860.80	1,867.58	1,747.47	2,488.38	5,791.79
RSF Item																					
14	Total NSFR high-quality liquid assets (HQLA)	-	-	-	-	157.54	-	-	-	-	138.54	-	-	-	-	123.69	-	-	-	-	151.63
15	Deposits held at other financial institutions for operational purposes	83.79	-	-	-	41.89	26.25	-	-	-	13.11	31.07	-	-	-	15.53	25.47	-	-	-	12.73
16	Performing loans and securities: (17+18+19+21+23)	-	1,262.23	425.18	3,017.10	3,399.24	-	944.96	477.69	2,918.31	3,194.01	-	1,193.71	410.21	2,763.96	3,139.31	-	1,358.09	436.31	2,875.09	3,345.20
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	130.03	95.42	372.56	439.77	-	111.42	108.32	413.08	483.96	-	169.04	93.66	453.34	525.52	-	163.63	90.05	535.64	605.21
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	1,130.87	305.89	2,459.88	2,797.35	-	832.36	357.44	2,346.72	2,583.65	-	1,024.21	303.33	2,196.84	2,524.47	-	1,193.23	331.67	2,224.44	2,645.93
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	456.96	-	-	456.96	-	25.52	-	-	25.52	-	25.52	-	-	25.52	-	20.14	-	124.79	116.14
21	Performing residential mortgages, of which:	-	-	23.87	99.14	88.31	-	-	11.93	106.27	81.00	-	-	13.22	104.98	81.46	-	-	14.59	96.64	77.41
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	23.87	99.14	88.31	-	-	11.93	106.27	81.00	-	-	13.22	104.98	81.46	-	-	14.59	96.64	77.41
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	1.33	-	85.51	73.81	-	1.18	-	52.24	45.40	-	0.46	-	8.80	7.86	-	1.23	-	18.37	16.65
24	Other assets: (sum of rows 25 to 29)	503.86	49.12	17.82	54.93	610.95	558.47	68.03	30.75	56.88	693.85	558.63	57.63	27.39	43.26	666.51	528.85	102.55	37.58	46.72	648.65
25	Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	98.59	-	-	-	83.80	135.22	-	-	-	114.94	136.01	-	-	-	115.61	70.28	-	-	-	59.72
27	NSFR derivative assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	NSFR derivative liabilities before deduction of variation margin posted	4.57	-	-	-	4.57	5.06	-	-	-	5.06	3.46	-	-	-	3.46	6.11	-	-	-	6.11
29	All other assets not included in the above categories	400.71	49.12	17.82	54.93	522.58	418.19	68.03	30.75	56.88	573.85	413.94	57.63	27.39	43.26	542.24	452.46	102.55	37.58	46.72	582.82
30	Off-balance sheet items	2,661.76	-	-	-	98.87	2,867.11	-	-	-	108.45	2,621.11	-	-	-	101.31	2,666.13	-	-	-	101.27
31	Total RSF	3,249.41	1,311.35	443.00	3,072.03	4,308.49	3,451.83	1,012.99	508.44	2,975.19	4,147.96	3,210.81	1,251.34	437.60	2,807.22	4,046.35	3,220.45	1,460.64	473.89	2,921.81	4,259.48
32	Net Stable Funding Ratio (%)	-	-	-	-	132.32%	-	-	-	-	141.96%	-	-	-	-	140.35%	-	-	-	-	135.97%

* Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.

3. Investments

a) Composition of Investment Portfolio

As at March 31, 2025

(₹ in Crore)

INVESTMENTS IN INDIA								INVESTMENTS OUTSIDE INDIA				
Particulars	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others*	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	Total Investments
Held to Maturity												
Gross	1,622.12	-	-	-	-	111.78	1,733.90	-	-	-	-	1,733.90
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	1,622.12	-	-	-	-	111.78	1,733.90	-	-	-	-	1,733.90
Available for Sale												
Gross	356.55	-	-	-	-	-	356.55	-	-	-	-	356.55
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	356.55	-	-	-	-	-	356.55	-	-	-	-	356.55
FVTPL (including HFT)												
Gross	77.26	-	-	47.14	-	-*	124.40	-	-	-	-	124.40
Less: Provision for depreciation and NPI	-	-	-	3.15	-	-	3.15	-	-	-	-	3.15
Net	77.26	-	-	43.99	-	-	121.25	-	-	-	-	121.25
Total Investments	2,055.93	-	-	47.14	-	111.78	2,214.85	-	-	-	-	2,214.85
Less: Provision for non-performing investments	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	-	3.15	-	-	3.15	-	-	-	-	3.15
Net	2,055.93	-	-	43.99	-	111.78	2,211.70	-	-	-	-	2,211.70

*FVTPL (including HFT) includes Investment in Security Receipts of ₹ 19.24 Crore with 100% provision, accordingly this has been fair valued and reported as ₹ 0 as on March 31, 2025 as per RBI Master Direction on Classification, Valuation and Operation of Investment Portfolio issued on September 12, 2023.

As at March 31, 2024

(₹ in Crore)

INVESTMENTS IN INDIA								INVESTMENTS OUTSIDE INDIA				
Particulars	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	Total Investments
Held to Maturity												
Gross	1,368.65	-	-	-	-	-	1,368.65	-	-	-	-	1,368.65
Less: Provision for non-performing investments (NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	1,368.65	-	-	-	-	-	1,368.65	-	-	-	-	1,368.65
Available for Sale												
Gross	1,215.79	-	-	79.40	-	117.86	1,413.05	-	-	-	-	1,413.05
Less: Provision for depreciation and NPI	-	-	-	3.63	-	20.09	23.72	-	-	-	-	23.72
Net	1,215.79	-	-	75.77	-	97.77	1,389.33	-	-	-	-	1,389.33
Held for Trading												
Gross	295.40	-	-	4.00	-	-	299.40	-	-	-	-	299.40
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	295.40	-	-	4.00	-	-	299.40	-	-	-	-	299.40
Total Investments	2,879.84	-	-	83.40	-	117.86	3,081.10	-	-	-	-	3,081.10
Less: Provision for non-performing investments	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	-	3.63	-	20.09	23.72	-	-	-	-	23.72
Net	2,879.84	-	-	79.77	-	97.77	3,057.38	-	-	-	-	3,057.38

With effect from April 1, 2024, the Bank has adopted the revised framework as detailed in the RBI Master Direction on Classification, Valuation and Operation of Investment Portfolio issued on September 12, 2023. Accordingly, as prescribed under the transition provisions of the aforesaid framework, the Bank has transferred ₹ 2.34 Crore to the general reserve, resulting into increase in the net worth of the Bank, on account of :

- reversal of the balance in provision for depreciation on Investments as at March 31, 2024; and
- adjustment to the general reserve as on April 1, 2024, being the difference between the carrying value of its investment portfolio as per the revised framework and the previous carrying value as at March 31, 2024, including for adjustment due to amortization of discount on securities classified under the Held to Maturity category.

Further in compliance with the above-mentioned RBI Master Direction, the valuation gains and losses at the twelve months ended March 31, 2025, as across all performing investments (irrespective of classification), held under Available for Sale ("AFS") is aggregated and the net gains amounting to ₹ 0.38 Crore has been directly credited to a reserve named "AFS Reserve" (net of taxes). The securities held in Fair Value through Profit and Loss ("FVTPL") (including Held for Trading) is fair valued at the year ended March 31, 2025 and the revaluation gain / loss arising on such valuation has been credited/ debited respectively.

b. Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
1. Movement of provision held towards depreciation on investments:		
(i) Opening balance	23.72	23.08
(ii) Add: Provision made during the year	-	3.63
(iii) Less: Write-off / write-back of excess provision during the year (including depreciation utilized on sale of securities)	1.33	2.99
(iv) Closing balance	22.39*	23.72
2. Movement of Investment Fluctuation Reserve:		
(i) Opening balance	33.77	35.45
(ii) Add: Amount transferred during the year	-	-
(iii) Less: Drawdown	24.22	1.68
(iv) Closing balance	9.55	33.77
3. Closing balance in IFR as a percentage of closing balance of investments in AFS and FVTPL (including HFT) /Current category**	2.00%	2.00%

* includes 100% provision towards Investment in Security Receipts of ₹ 19.24 Crore (Previous Year : ₹ 20.09 Crore)

**Net investment is considered

c) Sale and Transfers to/ from HTM Category

The Bank has not sold or transferred securities to or from Held to Maturity (HTM) category exceeding 5% of the book value of investment held in HTM category at the beginning of the financial year. The above threshold of 5% excludes, sale to RBI under pre-announced Open Market Operation auctions and repurchase of Government securities by Government of India.

d) Non-SLR investment portfolio

i) Non-performing non-SLR investments

Movement in non-performing Non SLR Investment is set out below: -

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Opening Balance	3.63	0.70
Additions during the year since 1 st April	0.00	3.63
Reductions during the above period	0.48	0.70
Closing balance	3.15	3.63
Total Provision held	3.15	3.63

ii) Issuer composition of non-SLR investments

The issuer composition of Non-SLR investments of the Bank is given below:

As on March 31, 2025

(₹ in Crore)

Sr. No.	Issuer	Amount	Extent of Private Placement	Extent of below Investment grade securities	Extent of Unrated Securities**	Extent of Unlisted Securities#
1	PSUs	43.99	-	-	-	-
2	FIs	111.78	-	-	-	-
3	Banks	-	-	-	-	-
4	Private Corporates	3.15	-	3.15	-	3.15
5	Subsidiaries / Joint Ventures	-	-	-	-	-
6	Others*	-	-	-	-	-
7	Provision held towards Depreciation	(3.15)	-	(3.15)	-	(3.15)
	Total	155.77	-	-	-	-

*This includes security receipts received on sale of assets to ARC of ₹ 19.24 Crore with 100% provision, accordingly this has been fair valued and reported as ₹ 0 as on March 31, 2025 as per RBI Master Direction on Classification, Valuation and Operation of Investment Portfolio issued on September 12, 2023.

**Excludes investments in equity shares in line with extant RBI guidelines.

#Excludes investments in equity shares, security receipts, commercial paper and certificate of deposits in line with extant RBI guidelines.

As on March 31, 2024

(₹ in Crore)

Sr. No.	Issuer	Amount	Extent of Private Placement	Extent of below Investment grade securities	Extent of Unrated Securities**	Extent of Unlisted Securities#
1	PSUs	65.40	-	-	-	-
2	FIs	112.14	-	-	-	-
3	Banks	-	-	-	-	-
4	Private Corporates	3.63	-	3.63	-	3.63
5	Subsidiaries/ Joint Ventures	-	-	-	-	-
6	Others*	20.09	-	-	20.09	-
7	Provision held towards Depreciation	(23.72)	-	(3.63)	(20.09)	(3.63)
	Total	177.54	-	-	-	-

*This includes security receipt received on sale of assets to ARC

**Excludes investments in equity shares in line with extant RBI guidelines.

#Excludes investments in equity shares, security receipts, commercial paper and certificate of deposits in line with extant RBI guidelines.

a. Repo / Reverse repo transactions (in face value terms)

The details of securities sold and purchased under repos and reverse repos including LAF during the year are given below:

FY 2024-25		Minimum outstanding during the year		Maximum outstanding during the year		Daily Average outstanding during the year		Balance as at March 31, 2025	
		Face Value	Market Value	Face Value	Market Value	Face Value	Market Value	Face Value	Market Value
Securities Sold under Repurchase Transactions*									
(i)	Government Securities	0.30	0.30	625.40	625.17	112.00	111.97	-	-
(ii)	Corporate Debt Securities	-	-	-	-	-	-	-	-
(iii)	Any other securities	-	-	-	-	-	-	-	-
Securities purchased under Reverse Repurchase Transactions*									
(i)	Government Securities	10.07	10.18	1,680.00	1,679.25	604.17	603.22	-	-
(ii)	Corporate Debt Securities	-	-	-	-	-	-	-	-
(iii)	Any other securities	-	-	-	-	-	-	-	-

* Consist of RBI LAF & TREPS disclosed at face value.

NIL outstanding on any day is ignored for reckoning minimum outstanding.

(₹ in Crore)

FY 2023-24	Minimum outstanding during the year		Maximum outstanding during the year		Daily Average outstanding during the year		Balance as at March 31, 2024	
	Face Value	Market Value	Face Value	Market Value	Face Value	Market Value	Face Value	Market Value
Securities Sold under Repurchase Transactions*								
(i) Government Securities	17.05	17.05	1,440.70	1,440.45	393.66	393.51	-	-
(ii) Corporate Debt Securities	-	-	-	-	-	-	-	-
(iii) Any other securities	-	-	-	-	-	-	-	-
Securities purchased under Reverse Repurchase Transactions*								
(i) Government Securities	1.00	1.00	455.00	454.92	63.60	63.58	-	-
(ii) Corporate Debt Securities	-	-	-	-	-	-	-	-
(iii) Any other securities	-	-	-	-	-	-	-	-

* Consist of RBI LAF & TREPS disclosed at face value.

NIL outstanding on any day is ignored for reckoning minimum outstanding

b. Government Security Lending (GSL) Transaction (in market value terms)

The Bank has not entered into any Government Security Lending Transaction during the FY 2024-25 (Previous Year: NIL).

4. Asset quality**a) Classification of advances and provisions held**

(₹ in Crore)

FY 2024-25	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening balance	4,647.54	38.43	20.62	64.58	123.63	4,771.17
Add: Additions during the year					70.53	
Less: Reductions during the year					31.24	
Closing balance	4,607.68	52.01	37.00	73.91	162.92	4,770.60
Reductions in Gross NPAs due to:					-	
i) Recoveries (excluding recoveries from upgraded accounts) & Upgradation					21.41	
ii) Technical / Prudential Write-offs					9.83	
iii) Write-offs other than those under (ii) above					-	
Provisions (excluding Floating / Countercyclical Provisions)						
Opening balance of provisions held	23.85	12.24	18.15	64.58	94.97	118.82
Add: Fresh provisions made during the year					28.53	
Less: Excess provision reversed / Write-off loans					6.52	
Closing balance of provisions held	24.27	9.58	33.49	73.91	116.98	141.25
Net NPAs						
Opening Balance		26.19	2.47	-	28.66	
Add: Fresh additions during the year					42.00	
Less: Reductions during the year					24.72	
Closing Balance		42.43	3.51	-	45.94	

(₹ in Crore)

FY 2023-24	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening balance	4,819.34	20.92	18.32	58.24	97.48	4,916.82
Add: Additions during the year					90.46	
Less: Reductions during the year					64.31	
Closing balance	4,647.54	38.43	20.62	64.58	123.63	4,771.17
Reductions in Gross NPAs due to:						
i) Recoveries (excluding recoveries from upgraded accounts) & Upgradation					30.58	
ii) Technical / Prudential Write-offs					33.73	
iii) Write-offs other than those under (ii) above					-	
Provisions (excluding Floating / Countercyclical Provisions)						
Opening balance of provisions held	25.71	4.33	18.32	58.24	80.89	106.60
Add: Fresh provisions made during the year					37.16	
Less: Excess provision reversed / Write-off loans					23.08	
Closing balance of provisions held	23.85	12.24	18.15	64.58	94.97	118.82
Net NPAs						
Opening Balance		16.59	-	-	16.59	
Add: Fresh additions during the year					20.45	
Less: Reductions during the year					8.38	
Closing Balance		26.19	2.47	-	28.66	

(₹ in Crore)

FY 2024-25	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Floating / Countercyclical Provisions						
Opening balance						-
Add: Additional provisions made during the year						-
Less: Amount drawn down / utilised during the year						-
Closing balance of floating provisions						-
Technical / prudential write-offs and the recoveries made thereon						
Opening balance of Technical / Prudential written-off accounts						418.15
Add: Technical / Prudential write-offs during the year						9.83
Less: Recoveries made from previously technical / prudential written-off accounts during the year						8.19
Closing balance						419.79

(₹ in Crore)

FY 2023-24	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Floating / Countercyclical Provisions						
Opening balance						-
Add: Additional provisions made during the year						-
Less: Amount drawn down / utilised during the year						-
Closing balance of floating provisions						-
Technical / prudential write-offs and the recoveries made thereon						
Opening balance of Technical / Prudential written-off accounts						399.99
Add: Technical / Prudential write-offs during the year						33.73
Less: Recoveries made from previously technical / prudential written-off accounts during the year						15.57
Closing balance						418.15

Ratios (%)	March 31, 2025	March 31, 2024
Gross NPA to Gross Advances	3.42%	2.59%
Net NPA to Net Advances	0.99%	0.61%
Provision coverage ratio	71.80%	76.82%

b. Sector wise Advances and Gross NPAs

(₹ in Crore)

Sr. No.	Sector	FY 2024-25			FY 2023-24		
		Outstanding Total Gross Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Gross Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A	Priority Sector						
1	Agriculture and Allied Activities	675.91	-	-	694.69	-	-
2	Advances to industries sector eligible as priority sector lending	230.99	-	-	248.19	10.00	4.03%
	<i>Of Which</i>						
	a. Gems & Jewelry	-	-	-	54.58	-	-
	b. Chemicals and Chemical products	52.26	-	-	68.59	10.00	14.58%
	c. Leather and Leather products	40.50	-	-	27.85	-	-
	d. Paper and Paper Products	52.26	-	-	31.01	-	-
3	Services	199.51	-	-	317.89	-	-
	<i>Of which</i>						
	a. NBFC	18.16	-	-	148.98	-	-
	b. Trade	27.36	-	-	57.64	-	-
	c. Professional Services	96.87	-	-	68.40	-	-
4	Personal loans	125.58	14.58	11.61%	155.87	3.44	2.21%
	Sub-total (A)	1,231.99	14.58	1.18%	1,416.64	13.44	0.95%

b) Sector-wise Advances and Gross NPAs

(₹ in Crore)

Sr. No.	Sector	FY 2024-25			FY 2023-24		
		Outstanding Total Gross Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Gross Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
B	Non-Priority Sector						
1	Agriculture and allied activities	-	-	-	-	-	-
2	Industry	1,064.99	92.50	8.69%	1,021.66	76.29	7.47%
	of which						
	a. Infrastructure	326.42	75.68	23.18%	286.69	76.29	26.61%
	b. Chemical & Chemical Products	166.56	10.00	6.00%	204.31	-	-
	c. All engineering	131.80	-	-	86.16	-	-
	d. Manufacturing- Basic Metal and Metal Products	157.16	-	-	112.78	-	-
	e. Food Processing	34.49	-	-	98.40	-	-
3	Services	1,610.49	11.41	0.71%	1,399.46	-	-
	of which						
	a. Commercial Real Estate Metal Products	437.16	-	-	334.02	-	-
	b. NBFC	702.02	11.41	1.63%	477.55	-	-
	c. Trade	113.44	-	-	188.41	-	-
	d. Other services	88.14	-	-	141.56	-	-
	e. Financial Intermediation	217.87	-	-	197.42	-	-
4	Personal loans	863.13	44.43	5.15%	933.41	33.90	3.63%
	of which						
	a. Other Retail Loans	691.32	34.99	5.06%	774.68	29.28	3.78%
	b. Housing loans	110.62	9.06	8.19%	134.42	4.19	3.12%
	Sub-total (B)	3,538.61	148.34	4.19%	3,354.53	110.19	3.28%
	Total (A+B)	4,770.60	162.92	3.42%	4,771.17	123.63	2.59%

c) Overseas Assets, NPAs and Revenue

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Total Assets	-	-
Total NPAs	-	-
Total Revenue for the year ended	-	-

d) Particulars of resolution plan and restructuring*

Details of Resolution Plan (RP) implemented under Prudential Framework for Resolution of Stressed Assets dated June 07, 2019 are given below. Details of loans restructured under COVID have been provided under Note 4(h).

(₹ in Crore)

		Agriculture & Allied activities		Corporates (Excluding MSME)		Micro, Small & Medium Enterprises		Retail (Excluding Agriculture & MSME)		Total	
		FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Standard	Number of Borrowers	-	-	-	-	-	-	-	-	-	-
	Gross Amount	-	-	-	-	-	-	-	-	-	-
	Provision held	-	-	-	-	-	-	-	-	-	-
Sub-standard	Number of Borrowers	-	-	-	-	-	-	-	-	-	-
	Gross Amount	-	-	-	-	-	-	-	-	-	-
	Provision held	-	-	-	-	-	-	-	-	-	-
Doubtful	Number of Borrowers	-	-	1	1	-	-	-	-	1	1
	Gross Amount	-	-	67.07	68.15	-	-	-	-	67.07	68.15
	Provision held	-	-	67.07	68.15	-	-	-	-	67.07	68.15
Total	Number of Borrowers	-	-	1	1	-	-	-	-	1	1
	Gross Amount	-	-	67.07	68.15	-	-	-	-	67.07	68.15
	Provision held	-	-	67.07	68.15	-	-	-	-	67.07	68.15

*Includes NCDs received as part of restructuring plan currently classified as non-performing investment.

e. Divergence in asset classification and provisioning

RBI has directed that banks shall make suitable disclosures, wherever either (a) the additional provisioning requirements assessed by RBI exceed 5 percent of the reported profit before provisions and contingencies for the reference period or (b) the additional Gross NPAs identified by RBI exceed 5 percent of the published incremental Gross NPAs for the reference period, or both.

No divergence was observed by RBI in respect of the Bank's asset classification and provisioning under the extant prudential norms on income recognition asset classification and provisioning (IRACP) post their assessment of the books of accounts for the Financial Year 2023-24 which requires such disclosures.

f) Disclosure of transfer of loan exposure

- The The Bank has not transferred any stressed loans (non-performing asset and Special Mention Account) and loan not in default during the year ended March 31, 2025.
- The Bank has not acquired any stressed loans (NPA and SMA accounts) during the year ended March 31, 2025.
- Details of loans not in default acquired during the year through assignment as given below:

Particulars	March 31, 2025	March 31, 2024
Aggregate amounts of loans acquired (₹ in Crore)	50.83	12.68
Aggregate consideration paid (₹ in Crore)	40.66	10.14
Weighted average residual maturity (in years)	2.24	1.77
Weighted average holding period by originator (in years)	0.67	0.70
Retention of beneficial economic interest by the originator	20%	20%
Tangible security coverage	Unsecured loans	Unsecured loans
Rating wise distribution of rated loans*	Unrated	Unrated

*The loans are unrated as these are from non-corporate borrowers.

(iv) Details on recovery ratings assigned for Security Receipts as on March 31, 2025:

(₹ in Crore)

Recovery Rating [^]	Anticipated recovery as per recovery rating	March 31, 2025	March 31, 2024
		Book Value**	Book Value**
India Rating (RR3)/BWRR3	50% - 75%	-	2.42
RR5/Unrated*	0% - 25%	19.24	17.67
Total		19.24	20.09

[^] Recovery rating is as assigned by various external agencies.

*Represents security receipts for which 8 years have been completed.

**The Bank has not made any investment in Security Receipts during the year ended March 31, 2025, and March 31, 2024. Provision against the outstanding Security Receipts as on March 31, 2025 is ₹19.24 Crore (Previous Year: ₹20.09 Crore).

g) Fraud accounts

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Number of frauds reported [^]	1	376
Amount involved in fraud	11.03	1.46
Amount involved in fraud net of recoveries/charge-offs as at the end of the year	-	1.46
Provisions held as at the end of the year	10.00	-
Un-amortized provision debited from other reserves	-	-

[^]The number includes digital payment related frauds, where no loss has been caused by the Bank, reported to RBI pursuant to 13 January 2023 guideline on 'Advisory on Reporting of digital payment related frauds to RBI through FMR'. During FY 2023-24, cases were initially reported under the FMR based on customer complaints of fraud. However pursuant to the RBI's revised Master Direction on Fraud Risk Management for regulated Entities on July 15, 2024, only those cases where the bank has incurred financial loss are required to be reported under FMR. Accordingly, upon review, cases where no financial loss was borne by the bank have been excluded and only 1 case has been reported for FY 2024-25 where bank incurred a loss of ₹ 11.03 Crore.

h. COVID-19

Details of resolution plans implemented under the RBI Resolution Framework for COVID-19 related stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 5, 2021 (Resolution Framework 2.0) as at are given below:

FY 2024-25

(₹ in Crore)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of March 31, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Addition during the period**	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of September 30, 2024
Personal Loans	-	-	-	-	-	-
Corporate Persons*	3.77	-	-	0.24	0.22	3.75
Of which, MSMEs	3.77	-	-	0.24	0.22	3.75
Others	2.13	-	-	0.22	0.13	2.04
Total	5.90	-	-	0.46	0.35	5.79

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**New additions is on account of interest accrued for customers opted for resolution.

(₹ in Crore)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of September 30, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Addition during the period**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of March 31, 2025
Personal Loans	-	-	-	-	-	-
Corporate Persons*	3.75	-	-	0.51	0.45	3.69
<i>Of which, MSMEs</i>	3.75	-	-	0.51	0.45	3.69
Others	2.04	-	-	0.97	0.34	1.41
Total	5.79	-	-	1.48	0.79	5.10

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**New additions is on account of interest accrued for customers opted for resolution.

FY 2023-24

(₹ in Crore)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of March 31, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Addition during the period**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of September 30, 2023
Personal Loans	-	-	-	-	-	-
Corporate Persons*	3.82	-	-	0.21	0.20	3.81
<i>Of which, MSMEs</i>	3.82	-	-	0.21	0.20	3.81
Others	3.23	-	-	0.37	0.26	3.12
Total	7.05	-	-	0.58	0.46	6.93

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**Also includes interest accrued on customers opted for resolution 2.0.

(₹ in Crore)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the September 30, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Addition during the period**	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end March 31, 2024
Personal Loans	-	-	-	-	-	-
Corporate Persons*	3.81	-	-	0.25	0.21	3.77
<i>Of which, MSMEs</i>	3.81	-	-	0.25	0.21	3.77
Others	3.12	0.41	-	0.73	0.15	2.13
Total	6.93	0.41	-	0.98	0.36	5.90

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**Also includes interest accrued on customers opted for resolution 2.0.

5. Exposures

a) Exposure to Real Estate Sector

(₹ in Crore)

Category	March 31, 2025	March 31, 2024
a) Direct Exposure		
(i) Residential Mortgages	395.51	423.88
(ii) Commercial Real Estate	725.00	575.40
(iii) Investments in Mortgage-Backed Securities (MBS) and other securitised exposures	-	-
(a) Residential	-	-
(b) Commercial Real Estate	-	-
b) Indirect Exposure	-	-
Fund based and non-fund-based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)*	20.16	16.75
Total Exposure to Real Estate Sector	1,140.67	1,016.03

*includes investment exposure

b) Exposure to Capital Market

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
i. Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
ii. Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii. Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv. Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds/convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v. Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	153.40	135.76
vi. Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii. Bridge loans to companies against expected equity flows / issues;	-	-
viii. Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
ix. Financing to stockbrokers for margin trading;	-	-
x. All exposures to Venture Capital Funds (both registered and unregistered) will be deemed to be on par with equity and hence will be reckoned for compliance with the capital market exposure ceilings (both direct and indirect)	-	-
Total Exposure to Capital Market	153.40	135.76

c. Risk category-wise country exposure

As per the extant RBI guidelines, the country exposure of the Bank is categorized into various risk categories listed in the following table.:

(₹ in Crore)

Risk Category	Exposure (net) as at March 31, 2025	Provision held as at March 31, 2025	Exposure (net) as at March 31, 2024	Provision held as at March 31, 2024
Insignificant	39.69	-	38.31	-
Low	2.56	-	16.81	-
Moderately Low	-	-	6.33	-
Moderate	-	-	-	-
Moderately High	1.39	-	1.85	-
High	-	-	-	-
Very High	-	-	-	-
Total	43.64	-	63.30	-

d. Unsecured advances

Unsecured advances have been appropriately classified under 'Schedule 9. Details as per RBI guidelines are as follows:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Total unsecured advances of the bank	233.87	260.55
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	-	-
Estimated value of such intangible securities	-	-

e. Factoring exposures

There were no factoring exposures during the current financial year. (Previous Year: NIL)

f. Intra-group exposures

Intra-Group exposures in accordance with RBI guidelines are as follows:

(₹ in Crore)

Sr. No.	Particulars	March 31, 2025	March 31, 2024
1	Total amount of intra-group exposures	17.58	18.26
2	Total amount of top-20 intra-group exposures	17.58	18.26
3	Percentage of intra-group exposures to total exposure of the Bank on borrowers / customers*	0.19%	0.23%
4	Details of breach of limits on intra-group exposures and regulatory action thereon, if any.	-	-

*includes bank exposure

g. Disclosure on Single/ Group Borrower Limits

The RBI has prescribed limits linked to a bank's eligible capital base in respect of exposures to single counterparty and group of connected counterparties. Breaches if any observed were appropriately reported to RBI.

h. Unhedged Foreign Currency Exposure

The Bank closely monitors the unhedged foreign currency exposures of its corporate clients and also factors this risk into the pricing. The information on the unhedged foreign currency exposures of the corporate is obtained on a quarterly basis and riskiness of the same with respect to the USD – INR exchange rate fluctuation is assessed.

As on 31st March 2025, Bank has unhedged foreign currency exposure which is appropriately considered in the computation of credit risk RWA as on 31st March 2025. The Bank addresses the currency induced credit risk in a comprehensive manner and the incremental provisioning and capital held by the Bank on account of the same as on March 31, 2025 is as follows:

Unhedged Foreign Currency Exposure provisions for current year:

(₹ in Crore)

Incremental standard asset provision required as per RBI guideline	Outstanding as on March 31, 2025	Incremental standard advance provision as on March 31, 2025
0 bps	4,217.31	-
10 bps	28.89	0.03
20 bps	178.64	0.36
40 bps	17.59	0.07
60 bps	65.08	0.39
80 bps	100.17	0.80

Unhedged Foreign Currency Exposure provisions for previous year:

(₹ in Crore)

Incremental standard asset provision required as per RBI guideline	Outstanding as on March 31, 2024	Incremental standard advance provision as on March 31, 2024
0 bps	4,438.38	-
10 bps	5.00	-
20 bps	79.01	0.16
40 bps	39.97	0.16
60 bps	-	-
80 bps	85.18	0.68

6. Concentration of deposits, advances, exposures and NPAs

a. Concentration of Deposits

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Total deposits of twenty largest depositors	1,765.69	1,524.09
Percentage of Deposits to twenty largest depositors to total deposits of the Bank	22.93%	21.43%

b. Concentration of Advances*#

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Total advances to twenty largest borrowers	1,634.94	1,307.88
Percentage of Advances to twenty largest borrowers to total advances of the Bank	18.15%	16.90%

* Excluding banking exposures

#Advances represent credit exposure (funded and non-funded) including derivative exposure as defined by RBI

c) Concentration of Exposures*

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Total Exposures to twenty largest borrowers / customers	1,637.78	1,319.73
Percentage of Exposures to twenty largest borrowers / Customers to Total Exposures of the Bank on borrowers / Customers	17.84%	16.62%

*Excluding banking exposures

d) Concentration of NPA*

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Total Exposure to the top twenty NPA accounts	125.95	101.66
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	75.84%	79.89%

*Represent fund based, non-fund based outstanding and non-performing investments

7. Derivatives

a. Forward Rate Agreement / Interest Rate Swap

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
The notional principal of swap agreements	4,257.98	450.10
Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	26.14	6.72
Collateral required by the Bank upon entering into swaps	-	-
Concentration of credit risk arising from the swaps (with Banks)	48.50	15.00
The fair value of the swap book [(Payable)/Receivable]	9.20	3.17

*Interest rate swaps includes single currency interest rate swaps & cross-currency interest rate swaps

Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps by the Bank

Derivatives are financial instruments whose characteristics are derived from an underlying asset, or from interest and exchange rates or indices. The Bank undertakes over the counter and Exchange Traded derivative transactions for balance sheet management and for proprietary trading/market making whereby the Bank offers OTC derivative products to the customers to enable them to hedge their interest rate and currency risks within the prevalent regulatory guidelines.

Proprietary trading includes Exchange Traded Currency Options, Interest Rate Futures, Currency Futures Interest Rate Swaps under different benchmarks (viz. MIBOR, Modified MIFOR, SOFR, ARR and INBMK), Currency Options, Currency Swaps and Non-Deliverable Options. The Bank also undertakes transactions in Cross Currency Swaps, Principal Only Swaps, Coupon Only Swaps, Currency Options, Interest Rate Swaps, Exotic Derivatives and Long-Term Forex Contracts (LTFX) for hedging its Balance Sheet and offers them to its customers. These transactions expose the Bank to various risks, primarily credit, market, legal, reputation and operational risk. The Bank has adopted the following mechanism for managing risks arising out of the derivative transactions.

Various risk limits are set up and actual exposures are monitored vis-à-vis the limits allocated. These limits are set up considering market volatility, risk appetite, business strategy and management experience. Risk limits are in place for risk parameters viz. PV01, VaR, Stop Loss, Delta, Gamma and Vega. Actual positions are monitored against these limits on a daily basis and breaches, if any, are dealt with in accordance with board approved ALM policy. Risk assessment of the portfolio is undertaken periodically. The Bank ensures that the Gross PV01 (Price value of a basis point) position arising out of all non-option rupee derivative contracts are within 0.25% of net worth of the Bank as on Balance Sheet date.

All the derivative transactions in the trading book, including FX forward will be marked to market except the transactions that took place in form of funding swap in banking book for hedging purposes, which will be valuing on carrying cost. For valuations purposes, bank is using Fair valuation policy.

The bank is calculating Market risk in the form of Market risk capital charge for all the interest rate sensitive derivative instruments on daily basis.

The credit risk in respect of customer derivative transactions is sought to be mitigated through a laid down policy i.e. counterparty credit risk policy on sanction of Loan Equivalent Risk (LER) limits, monitoring mechanism for LER limits and trigger events for escalation/ margin calls/termination.

b. Exchange Traded Interest Rate Derivatives

(₹ in Crore)

Sr. No.	Particulars	March 31, 2025	March 31, 2024
i	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument-wise)	-	-
ii	Notional principal amount of exchange traded interest rate derivatives outstanding (instrument-wise)	-	-
iii	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	-	-
iv	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	-	-

C. Disclosures on risk exposure in derivatives**1. Qualitative Disclosures***The structure and organization for management of risk in derivatives trading:*

Treasury operation is segregated into three different department's viz. front office, mid office and back office. The primary role of front office is to conduct business, that of mid office is to ensure compliance in accordance with set norms and policies and that of back office is to process/settle the transactions.

The Bank has in place policies and procedures, which have been approved by Board of Directors, to ensure adherence to various risk parameters and prudential limits.

*The scope and nature of risk measurement, risk reporting and risk monitoring systems:***i. Risk Measurement:**

For foreign exchange contracts, risk is measured through a daily report called, Value at Risk (VAR), which computes VAR on the forex, gaps using FEDAI VAR factors. In addition, the Bank has set its Risk Appetite in the form of Stop Loss and Counterparty Exposure Limit.

ii. Risk Reporting and Risk monitoring systems:

The Bank has the following reports/systems in place, which are reviewed by the top management:

- VAR
- Net Overnight Open Position
- Aggregate Gap Limit (AGL)/Individual Gap Limit (IGL)
- Stop loss limits

iii. The Bank has the following policy paper in place, and approved by Board:

- Market Risk Policy
- Investment and Trading Policy
- Asset-Liability Management (ALM) policy

Accounting Policy:

All outstanding derivatives transactions (forex forwards, currency swap, interest rate swap and options excluding spot for banking and Trading deals are considered as derivatives in the book of the Bank) are booked as off-balance sheet items. The trading positions are revalued on a marked to market basis whereas the funding/investment swaps follow the accrual basis of accounting.

2. Quantitative Disclosures

(₹ in Crore)

Sr. No.	Particulars	March 31, 2025				March 31, 2024		
		Currency Derivatives			Interest Rate Derivatives	Currency Derivatives		Interest Rate Derivatives
		FX Forwards	Cross currency swap	FX Options		FX Forwards	Cross currency swap	
1.	Derivatives notional Principal Amount	9,067.87	1,258.08	405.15	2,999.90	6112.69	300.10	150.00
	(a) For hedging	1,421.81	-	-	-	1,546.52	-	-
	(b) For trading	7,646.06	1,258.08	405.15	2,999.90	4566.17	300.10	150.00
2.	Marked to Market position							
	(a) Asset (+)	118.50	20.92	1.25	5.22	96.95	6.28	0.45
	(b) Liability (-)	136.31	4.51	1.36	12.44	118.52	3.49	0.06
3.	Credit Exposure	415.36	139.90	12.77	31.19	420.26	36.29	1.95
4.	Likely impact of one percentage change in Interest Rate (100*PV01)*							
	(a) On hedging derivatives	10.31	-	-	-	13.70	-	-
	(b) On trading derivatives	2.12	(14.68)	-	15.58	(0.62)	(0.06)	0.84
5.	Maximum and Minimum of 100*PV01 observed during the year							
	(a) On hedging							
	Maximum	17.10	-	-	-	16.11	-	-
	Minimum	10.29	-	-	-	7.55	-	-
	(b) On trading							
	Maximum	3.57	(0.06)	-	16.38	0.45	(0.02)	1.84
	Minimum	(0.92)	(15.75)	-	(2.58)	(0.64)	(0.06)	0.65

*Amounts represent the loss which the Bank may suffer on account of change in interest rate by 1%

d. Credit default swaps

The Bank has not dealt in any Credit Default Swaps during the financial year. (Previous Year: NIL)

8. Disclosures relating to securitisation

The Bank has not sponsored any SPVs for securitization transactions during the year and there is no securitization transaction outstanding as at March 31, 2025. (Previous Year: NIL)

9. Off balance sheet SPVs sponsored

There have been no Off-balance sheet SPVs sponsored during the financial year. (Previous Year: NIL)

10. Transfers to Depositor Education and Awareness Fund (DEAF)

The details of amount transferred during the respective year to DEAF are as under

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Opening balance of amounts transferred to DEAF	0.80	0.80
Add: Amounts transferred to DEAF during the year	0.01	0.00
Less: Amounts reimbursed by DEAF towards claims	0.00	0.00
Closing balance of amounts transferred to DEAF	0.81	0.80

11. Disclosure of Complaints

a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman

(₹ in Crore)

Sr. No.	Particulars	FY 2024-25	FY 2023-24
	Complaints received by the bank from its customers		
1	Number of complaints pending at the beginning of the year	35	52
2	Number of complaints received during the year	3,125	3,552
3	Number of complaints disposed during the year	3,000	3,569
	3.1 - Of which, number of complaints rejected by the bank	-	-
4	Number of complaints pending at the end of the year	160	35
	Maintainable complaints received by the bank from OBOs		
5	Number of maintainable complaints received by the bank from OBOs	345	839
	5.1 - Of 5, number of complaints resolved in favor of the bank by Bos	309	815
	5.2 - Of 5, number of complaints resolved through conciliation/ mediation/advisories issued by Bos	36	23
	5.3 - Of 5, number of complaints resolved after passing of awards by BOs against the bank	0	1
6	Number of awards unimplemented within the stipulated time (other than those appealed)	-	-

b) Top five grounds of complaints received by the bank from customers.

FY 2024-25

Grounds of complaints, i.e. (complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Account Opening and Operations	21	1,123	(25%)	44	-
Credit Card	8	1042	69%	90	-
Internet Banking & Mobile Banking	2	668	735%	12	-
ATM/Debit Cards	-	70	(94%)	4	-
Loans and advances	-	23	100%	3	-
Others	4	199	221%	7	-
Total	35	3,125	(12%)	160	-

FY 2023-2024

Grounds of complaints, i.e. (complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Account opening / difficulty in operation of accounts	1	1,496	878 %	5	1
ATM / Debit Cards	29	1,241	(50 %)	22	-
Credit Cards	5	617	192 %	8	-
Internet / Mobile / Electronic Banking	7	80	(65 %)	-	-
Levy of charges without prior notice / excessive charges / foreclosure charges	-	56	(24 %)	-	-
Others	10	62	(87 %)	-	-
Total	52	3,552	(1 %)	35	1

12. Disclosure of Penalties imposed by RBI

The Reserve Bank of India (RBI) has, by an order dated April 10, 2024, imposed a monetary penalty of ₹ 88.70 lakh (Rupees Eighty-Eight Lakh Seventy Thousand only) on SBM Bank (India) Ltd. (the bank) for non-compliance with licensing conditions imposed by the RBI, and specific RBI directions to stop undertaking Liberalised Remittance Scheme (LRS) transactions with immediate effect. (Year ended March 31, 2024: Nil)

Additional provision as advised by RBI for Non-compliance of automation of IRAC

As on March 31, 2025 the Bank has maintained provision of ₹ 4.17 Crore (Previous Year: ₹ 4.17 Crore) as advised by RBI vide its letter dated March 13, 2023 for non-compliance of guidelines of IRAC automation. Accordingly, no additional provision made during the FY 2024-25.

13. Disclosure on Remuneration

Qualitative disclosures	
(a) Information relating to the composition and mandate of the Nomination and Remuneration Committee.	The Nomination and Remuneration Committee (NRC) is responsible for providing oversight of the appointment/re-appointment and remuneration of senior management and other key personnel and ensuring that their compensation is consistent with the legal and regulatory framework, Bank's culture, objectives, strategy and control environment. The NRC is also responsible for providing assessment of board effectiveness and directing the process of renewing and replacing board members. It is responsible for remuneration, succession planning and other board concerns. The members of the committee are given below: 1. Ms. Pallavi Kanchan 2. Mr. Abizer Diwanji 3. Mr. Sanjeev Lall 4. Mr. Raoul Gufflet 5. Ms. Mariam Rajabally

Qualitative disclosures	
(b) Information relating to the design and structure of remuneration processes and the key features and objectives of Remuneration policy.	The Bank follows the following practices and principles in designing and structuring the remuneration process: A focus on long-term, risk-adjusted performance and reward mechanism by focusing on performance of the individual employee, the relevant line of business or function and the Bank as a whole. It seeks to drive accountability, and co-relate risk, financial performance and compensation. Key features and objectives of Remuneration policy are: The bank follows a Cash plus Benefits (Fixed Pay plus Benefits) approach in its Compensation framework by providing competitive level of compensation to attract and retain qualified and competent staff members. The compensation should be adjusted for all types of risk. The policy was last reviewed in January 2025. New benefits introduced by the Bank were included in the Compensation policy. In case of Risk and Compliance staff, the mix of fixed and variable compensation is weighted in favour of fixed compensation.
(c) Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.	Bank has in place a robust risk and performance management system to capture, monitor, and control the risks created by its business activities. The goal is to not only manage the risks of the bank, but also to create a culture of risk awareness, risk quantification and measurement and personal accountability. It seeks to ensure that the potential for any risk-taking by any individual, group, or business is controlled.
(d) Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration.	In determining total compensation, the bank considers the overall scope of an employee's responsibilities, the performance history of the individual with the Bank, comparisons with other staff within the bank, external market compensation, and the overall performance of the function and the Bank as whole.
(e) A discussion of the Bank's policy on deferral and vesting of variable remuneration and a discussion of the Bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.	The bank is currently unlisted, with plans of listing at an appropriate time. Till that time, the long-term incentives (LTI) will be paid as a cash payout to a limited number of eligible employees (MRTs & WTD) as decided by the Board and the following RBI guideline will apply: In terms of RBI circular on Compensation dated November 4, 2019 Annex Clause B II. 2.1.2 (a) "only in cases where the compensation by way of share-linked instruments is not permitted by law/regulations, the

Qualitative disclosures	
	entire variable pay can be in cash"; and as per Clause B II. 2.1.2(b) (iii) "in the event that an executive is barred by statute or regulation from grant of share-linked instruments, his/her variable pay will be capped at 150% of the fixed p.a., but shall not be less than 50% of the fixed pay." The other relevant provisions in respect of variable pay such as deferral, vesting, malus/claw-back, etc. would be as per the RBI Guidelines. At least 50% of the cash variable will be deferred. The deferral period of variable pay will be decided based on evaluation at the end of Annual performance cycle each calendar year and will be between 3 to 5 years Post listing, in the eventuality of the Bank's equity shares being listed in the stock exchange(s), the Bank will use a Share-linked long term incentive to help drive a 'pay for performance' culture and link employees' individual wealth creation to the organizational success. In such case, the deferred pay due to the employee shall be converted to non-cash component with immediate effect. In the event of negative contributions of the bank in any year, the deferred compensation will be subject to malus arrangements which permits the bank to prevent vesting of all or part of the amount of a deferred remuneration, but it does not reverse vesting after it has already occurred.
(f) Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the Bank utilizes and the rationale for using these different forms.	There will be a proper balance between the fixed and the variable pay. The proportion of variable pay will be higher at higher levels of responsibility and could be in cash, or stock linked instruments or mix of both. The variable remuneration includes short-term & long-term variable remuneration. The Short-term variable remuneration includes Annual bonus & Short-term incentives. Short term Incentives (paid quarterly) - Sales incentive will be self-funded – i.e. it aims to carve out a portion of profits in excess of target level as profit sharing pool and divide among employees of the organization. Funds earned through improved financial performance are available for payouts.

Qualitative disclosures	
	Annual Bonus - The Variable bonus will be paid out of a budgeted provision, but actual payouts will be determined on the basis of Bank's / Department's/ Individual performance. The parameters for eligibility will be informed each year to the staff members. The plan will exclude those who are not on payrolls at the end of the year or in the notice period at the time of payment of Bonus. Long Term Incentive (LTI) The Company is currently unlisted, with plans of listing at an appropriate time. Till such that time, the LTI will be paid as a cash payout to a limited number of eligible employees (MRTs & WTD) as decided by the Board and the following RBI guideline will apply: In terms of RBI circular on Compensation dated November 4, 2019 Annex Clause B II. 2.1.2 (a) "only in cases where the compensation by way of share-linked instruments is not permitted by law/regulations, the entire variable pay can be in cash"; and as per Clause B II. 2.1.2(b) (iii) "in the event that an executive is barred by statute or regulation from grant of share-linked instruments, his/her variable pay will be capped at 150% of the fixed p.a., but shall not be less than 50% of the fixed pay." The other relevant provisions in respect of variable pay such as deferral, vesting, malus/claw-back, etc. would be as per the RBI Guidelines. At least 50% of the cash variable will be deferred. The deferral period of variable pay will be decided based on evaluation at the end of Annual performance cycle each calendar year and will be between 3 to 5 years. In cases where the cash component of variable pay is under ₹ 25 lakh, deferral requirements would not be necessary. Post listing, in the eventuality of the Bank's equity shares being listed in the stock exchange(s), the Bank will use a Share-linked long-term incentive to help drive a 'pay for performance' culture and link employees' individual wealth creation to the organizational success. In such case, the deferred pay due to the employee shall be converted to non-cash component with immediate effect.

			March 31, 2025	March 31, 2024																																												
Quantitative disclosures	(g)	Number of meetings held by the Nomination and Remuneration Committee during the financial year and remuneration paid to its members.	8 meetings held and ₹ 0.18 Crore remuneration paid.	9 meetings held and ₹ 0.17 Crore remuneration paid.																																												
	(h)	i) Number of employees having received a variable remuneration award during the financial year. (ii) Number and total amount of sign-on/joining bonus made during the financial year. (iii) Details of severance pay, in addition to accrued benefits, if any.	1 NIL NIL	6 NIL NIL																																												
	(i)	(i) Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms. (ii) Total amount of deferred remuneration paid out in the financial year.	₹0.71 crore ₹0.09 Crore	₹1.23 crore ₹0.68 Crore																																												
	(j)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred	MD & CEO, WTD Chief Operations Officer, & CIO Head – Corporate Banking Head – Retail Banking Head – Treasury (₹ in Crore) <table><tr><th>Particulars</th><th>Total</th></tr><tr><td>Pay</td><td>8.96</td></tr><tr><td>Variable</td><td>0.09</td></tr><tr><td>PF</td><td>0.44</td></tr><tr><td>NPS</td><td>0.00</td></tr><tr><td>Perquisites</td><td>0.01</td></tr><tr><td>PF Perk</td><td>0.05</td></tr><tr><td>PF Interest Perk</td><td>0.01</td></tr><tr><td>Gratuity</td><td>0.20</td></tr><tr><td>TOTAL</td><td>9.76</td></tr><tr><td>Deferred Pay - to be paid in Apr 2025, 2026 & 2027</td><td>0.71</td></tr></table>	Particulars	Total	Pay	8.96	Variable	0.09	PF	0.44	NPS	0.00	Perquisites	0.01	PF Perk	0.05	PF Interest Perk	0.01	Gratuity	0.20	TOTAL	9.76	Deferred Pay - to be paid in Apr 2025, 2026 & 2027	0.71	MD & CEO Chief Operations Officer & CIO Head – Corporate Banking Head – Retail Banking Head – Treasury (₹ in Crore) <table><tr><th>Particulars</th><th>Total</th></tr><tr><td>Pay</td><td>11.14</td></tr><tr><td>Variable</td><td>2.64</td></tr><tr><td>PF</td><td>0.42</td></tr><tr><td>NPS</td><td>0.07</td></tr><tr><td>Perquisites</td><td>0.04</td></tr><tr><td>PF Perk</td><td>0.11</td></tr><tr><td>PF Interest Perk</td><td>0.06</td></tr><tr><td>Gratuity</td><td>0.40</td></tr><tr><td>TOTAL</td><td>14.88</td></tr><tr><td>Deferred Pay - to be paid in Apr 2024, 2025 & 2026</td><td>1.23</td></tr></table>	Particulars	Total	Pay	11.14	Variable	2.64	PF	0.42	NPS	0.07	Perquisites	0.04	PF Perk	0.11	PF Interest Perk	0.06	Gratuity	0.40	TOTAL	14.88	Deferred Pay - to be paid in Apr 2024, 2025 & 2026	1.23
Particulars	Total																																															
Pay	8.96																																															
Variable	0.09																																															
PF	0.44																																															
NPS	0.00																																															
Perquisites	0.01																																															
PF Perk	0.05																																															
PF Interest Perk	0.01																																															
Gratuity	0.20																																															
TOTAL	9.76																																															
Deferred Pay - to be paid in Apr 2025, 2026 & 2027	0.71																																															
Particulars	Total																																															
Pay	11.14																																															
Variable	2.64																																															
PF	0.42																																															
NPS	0.07																																															
Perquisites	0.04																																															
PF Perk	0.11																																															
PF Interest Perk	0.06																																															
Gratuity	0.40																																															
TOTAL	14.88																																															
Deferred Pay - to be paid in Apr 2024, 2025 & 2026	1.23																																															

	(k)	(i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments.	NIL	NIL																
		(ii) Total amount of reductions during the financial year due to ex post explicit adjustments.	NIL	NIL																
		(iii) Total amount of reductions during the financial year due to ex post implicit adjustments	NIL	NIL																
	(l)	Number of Material Risk Takers (MRTs) identified.	7	6																
	(m)	i. Number of cases where malus has been exercised.	2	NIL																
		ii. Number of cases where clawback has been exercised.	NIL	NIL																
		iii. Number of cases where both malus and clawback have been exercised.	NIL	NIL																
General Quantitative Disclosure	(n)	The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay.	<table><tr><th>Particulars</th><th>₹ in Crore</th></tr><tr><td>Mean salary + Perk</td><td>0.13</td></tr><tr><td>WTD's salary + Perk</td><td>4.14</td></tr><tr><td>Difference / deviation in ₹</td><td>4.01</td></tr></table>	Particulars	₹ in Crore	Mean salary + Perk	0.13	WTD's salary + Perk	4.14	Difference / deviation in ₹	4.01	<table><tr><th>Particulars</th><th>₹ in Crore</th></tr><tr><td>Mean salary + Perk</td><td>0.22</td></tr><tr><td>WTD's salary + Perk</td><td>3.68</td></tr><tr><td>Difference / deviation in ₹</td><td>3.46</td></tr></table>	Particulars	₹ in Crore	Mean salary + Perk	0.22	WTD's salary + Perk	3.68	Difference / deviation in ₹	3.46
Particulars	₹ in Crore																			
Mean salary + Perk	0.13																			
WTD's salary + Perk	4.14																			
Difference / deviation in ₹	4.01																			
Particulars	₹ in Crore																			
Mean salary + Perk	0.22																			
WTD's salary + Perk	3.68																			
Difference / deviation in ₹	3.46																			

14. Other disclosures

a. Business ratios

Particulars	March 31, 2025	March 31, 2024
Interest Income as a percentage to Working Funds*	8.28%	8.57%
Non-Interest Income as a percentage to Working Funds*	1.96%	2.12%
Cost of Deposits	7.04%	6.59%
Net Interest Margin##	2.30%	2.76%
Operating Profit as a percentage to Working Funds*	(0.70)%	(0.19)%
Return on Assets**	(0.98)%	(0.49)%
Business (Deposits plus Advances) per employee (₹ in Crore) #	17.36	17.01
Profit / (Loss) per employee (₹ in Crore)	(0.13)	(0.06)

* Working Funds represent monthly average of total assets (excluding accumulated losses) during the year as reported to RBI in Form X under Section 27 of the Banking Regulation Act, 1949.

** Return on Assets is computed with reference to Average Working Funds (excluding accumulated losses).

Deposits exclude inter-bank deposits.

##Net Interest Income/ Average Earning Assets. Net Interest Income= Interest Income – Interest Expense

- All ratios are annualized

b. Bancassurance business

The details of fees/brokerage earned in respect of insurance broking, agency and bancassurance business by the Bank are as under:

(₹ in Crore)

Sr. No.	Nature of Income	March 31, 2025	March 31, 2024
1	For selling life insurance policies	0.79	0.29
2	For selling non-life insurance policies	0.52	0.38
3	For selling mutual fund products (Includes Alternative Investment Funds)	1.86	0.87
4	Others	-	-

c. Marketing and distribution

There are no fees/remuneration received in respect of marketing and distribution function during the financial year.

d. Disclosures regarding Priority Sector Lending Certificates (PSLCs)

The amount of PSLCs (category wise) sold and purchased during the year:

(₹ in Crore)

Sr. No.	Type of PSLCs	March 31, 2025		March 31, 2024	
		Purchase	Sale	Purchase	Sale
1	PSLC – Agriculture	250.00	-	250.00	-
2	PSLC - SF / MF	-	150.00	100.00	150.00
3	PSLC - Micro Enterprises	300.00	-	300.00	-
4	PSLC – General	300.00	-	-	-
	TOTAL	850.00	150.00	650.00	150.00

e. Provisions & Contingencies

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Provision towards Non-Performing Assets (including write-off and recoveries)	24.21	24.96
Provision for Standard Assets	0.42	(1.86)
Provision for Income Tax (including Deferred Tax)	-	3.33
Provisions for diminution in fair value Restructured Advances	-	-
Provision for Country Risk	-	-
Provisions for Non-Performing Investment (including write-off and recoveries)	-	-
Total	24.63	26.43

f. Implementation of IFRS converged Indian Accounting Standards (Ind AS)

The Ministry of Corporate Affairs (MCA), Government of India has notified the Companies (Indian Accounting Standards) Rules, 2015 on February 16, 2015. Further, a press release was issued by the MCA on January 18, 2016 outlining the road map for implementation of Indian Accounting Standards (Ind-AS) converged with International Financial Reporting Standards (IFRS) for banks. Banks in India had to comply with the Ind-AS for financial statements for the accounting period beginning from April 01, 2018 onwards, with comparatives for the period ending March 31, 2018 or thereafter. However, necessary legislative amendments to make the format of financial statements, prescribed in the Third Schedule to Banking Regulation Act 1949, compatible with accounts under Ind AS are under consideration of the Government of India. Accordingly, the RBI, through its circular dated March 22, 2019, deferred the implementation of IND-AS until further notice. Progressing towards IND AS, the Bank has been submitting proforma financial to the RBI on half yearly basis as per extant regulatory guidelines.

g. Payment of DICGC Insurance Premium

(₹ in Crore)

Sr. No.	Particulars	March 31, 2025	March 31, 2024
i)	Payment of DICGC Insurance Premium	9.41	8.47
ii)	Arrears in payment of DICGC premium	-	-

h. Disclosure of Letters of Comforts (LoCs) issued by banks

The Bank has not issued any Letters of Comforts during the FY 2024-25 (Previous Year: NIL).

i. Portfolio-level information on the use of funds raised from green deposit

The bank has not raised funds from green deposit in FY 2024-25 (Previous Year: NIL).

15. Description of contingent liabilities

Sr. No.	Contingent Liabilities	Brief
1	Claims against the Bank not acknowledged as debts	The Bank is a party to various legal and tax proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, results of operations or cash flows.
2	Liability on account of forward exchange and derivative contracts	The Bank enters into foreign exchange contracts, currency options, forward rate agreements, currency swaps and interest rate swaps with interbank participants and customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. Currency swaps are commitments to exchange cash flows by way of interest/principal in one currency against another, based on predetermined rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. The notional amounts of financial instruments of such foreign exchange contracts and derivatives provide a basis for comparison with instruments recognized on the balance sheet but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Bank's exposure to credit or price risks. The derivative instruments become favorable (assets) or unfavorable (liabilities) as a result of fluctuations in market rates or prices relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favorable or unfavorable and, thus the aggregate fair values of derivative financial assets and liabilities can fluctuate significantly.
3	Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	As a part of its commercial banking activities the Bank issues documentary credit and guarantees on behalf of its customers. Documentary credits such as letters of credit enhance the credit standing of the customers of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations.
4	Other items for which the Bank is contingently liable	- Purchase of securities pending settlement - Capital Commitments - Amount deposited with RBI under Depositors Education and Awareness Fund - Others including regulatory notices

Refer Schedule 12 for amounts relating to contingent liability

16. Contingent Liabilities

'Claims against the Bank not acknowledged as Debts' item of Contingent Liability includes Income Tax of ₹ 4.09 Crore (Previous Year: ₹ 5.29 Crore) and Service tax of ₹ 0.22 Crore (Previous Year: ₹ 0.22 Crore). The Bank has gone in appeal to Income Tax Appellate Tribunal (ITAT) and High Court against the income tax assessment order of the department for AY 1999-00 to 2008-09 and CIT(Appeals) for AY 2022-23. The appeals are pending for the final outcome of the ITAT and high court and the Bank is expecting favorable judicial decisions. For Service tax, the bank has filed responses to Custom, Excise & Service Tax Appellate Tribunal (CESTAT) on January 31, 2019, and the bank is expecting favorable judicial order.

17. Provision for Long Term contracts

The Bank has assessed its long-term contracts (including Derivative Contracts) for material foreseeable losses and made adequate provisions in the books of accounts, under any law/accounting standards wherever applicable and disclosed the same under the relevant notes in the financial statements.

18. Deferred Tax

In accordance with AS-22 on "Accounting for Taxes on Income", the Bank has recognized Deferred Tax Assets on such timing differences where there is a reasonable certainty that such deferred tax assets can be reversed against the deferred tax liability. Deferred tax asset on accumulated carry forward business losses and depreciation is not recognized as there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

The major composition of Deferred Tax Liabilities (DTL) & Deferred Tax Assets (DTA) is as under:

(₹ in Crore)

Sr. No.	Particulars	March 31, 2025	March 31, 2024
A.	DTA		
(i)	Provision for Loan Losses, Floating Provision and counter cyclical provision	4.79	6.17
(ii)	Provision for Standard Advances	0.99	1.55
(iii)	Provision for Funded Interest Term Loan	-	-
(iv)	Disallowed Expenses	0.79	0.74
(v)	Unabsorbed Losses	-	-
	Total DTA	6.57	8.46
B	DTL		
(i)	Depreciation on Fixed Assets	(6.57)	(8.46)
	Total DTL	(6.57)	(8.46)
C	NET DTL / (DTA)	-	-

19. Segment Reporting

Part A: Business Segments

In accordance with RBI guidelines, the Bank has identified the following three primary segments: Treasury, Corporate Banking and Retail Banking. These segments are identified based on nature of services provided, risk and returns, organizational structure of the Bank and the internal financial reporting system.

Treasury Operations:

Undertakes Derivative Trading, Money Market Operations and Investment in Bonds, Treasury Bills, Government Securities, CP, CD and Foreign Exchange Operations. The revenue of this segment consists of interest earned on funding, investment income and gains on Government Securities, CP, CD's and debentures/ bonds, profit/loss on exchange and derivative transactions. The principal expenses of this segment consist of cost of funds, personnel cost, other direct overheads and allocated expenses.

Corporate Banking:

Primarily comprises of funded advances to Corporate. Revenue of this segment consists of interest earned on loans made to corporate clients, interest earned on cash float and fees received from fee-based activities like letter of credit, guarantee etc. The principal expenses of this segment consist of interest cost on funds borrowed allocated based on personnel costs and allocated expenses.

Retail Banking:

Consists of revenue arising out of personal loan, housing loan and other retail products. This also includes revenue arising out of digital & payments services.

As per the RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022 on establishment of Digital Banking Unit (DBU), for the purpose of disclosure under 'Accounting Standard 17 - Segment Reporting', 'Digital Banking' has been identified as a sub-segment of the existing 'Retail Banking' segment by Reserve Bank of India (RBI). The Bank has not set up any Digital banking units (DBUs) as mentioned in the above referred RBI circular; hence NIL is reported as DBU. Accordingly, the bank has only disclosed existing digital banking products, under the Digital Banking as a sub segment within Retail banking segment.

FY 2024-25

(₹ in Crore)

Business Segments	Corporate	Treasury	Retail		Other Banking	Total
			Other Retail	Digital Banking		
Revenue	500.56	250.05	148.31	76.02	-	974.94
Results	75.13	(26.38)	(50.21)	(87.88)	-	(89.34)
Unallocated Revenue / (Expenses)						2.14
Operating Profit						(87.20)
Income Taxes						-
Extraordinary Profit / Loss						-
Net profit / (Loss)						(87.20)
Other Information						-
Segment Assets	3,927.04	4,553.62	885.13	149.56	-	9,515.35
Unallocable Assets						67.90
Total Assets						9,583.25
Segment liabilities	3,900.98	831.34	3,137.16	709.97	-	8,579.45
Unallocable Liabilities						1,003.80
Total Liabilities						9,583.25
Capital expenditure during the year						37.35
Depreciation expenditure during the year						30.22

FY 2023-24

(₹ in Crore)

Business Segments	Corporate	Treasury	Retail		Other Banking	Total
			Other Retail	Digital Banking		
Revenue	438.22	273.40	158.39	130.65	-	1000.66
Results	81.13	(14.95)	(38.81)	(78.20)	-	(50.83)
Unallocated Revenue / (Expenses)						10.92
Operating Profit						(39.91)
Income Taxes						3.34
Extraordinary Profit / Loss						-
Net profit / (Loss)						(43.25)
Other Information						-
Segment Assets	3,860.17	3,883.50	922.68	198.82	-	8,865.17
Unallocable Assets						80.71
Total Assets						8,945.88
Segment liabilities	3,949.53	466.42	2,757.20	864.19	-	8,037.34
Unallocable Liabilities						908.54
Total Liabilities						8,945.88
Capital expenditure during the year						39.61
Depreciation expenditure during the year						22.65

Part B: Geographic Segments

The Bank operates as a single unit in India and as such has no identifiable geographical segments subject to dissimilar risks and returns. Hence, no information relating to geographical segments are presented.

Notes for segment reporting:

1. In computing the above information, certain estimates and assumptions have been made by the management and have been relied upon by the auditors.
2. Assets, liabilities, income and expenses which cannot be allocated to any segments have been classified as unallocated.

20. Disclosure under Employee Benefits – Revised Accounting Standard 15

- a) The contribution to employees Provident Fund amounted to ₹ 6.92 Crore for the year ended March 31, 2025. (Previous Year: ₹ 6.50 Crore).
- b) The Bank has amended the leave policy and discontinued encashment of leave to employees either at the time of resignation or on their retirement.
- c) The Bank does not have pension scheme for its employees. However, the Bank contributes up to 10% of eligible employees' salary per annum, to the New Pension Fund administered by a Pension Fund Regulatory and Development Authority (PFRDA) appointed pension fund manager. The Bank recognizes such contributions as an expense in the year when an employee renders the related service. Such contribution for the year is ₹ 0.70 Crore (Previous Year: ₹ 0.77 Crore).
- d) As per the actuarial valuation, the Bank expects to contribute ₹ 6.93 Crore to gratuity fund in financial year 2025 - 2026.

I) Change in the Present value of Projected Benefit Obligation:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Present Value of Benefit Obligation at the Beginning of the year	11.63	8.46
Interest Cost	0.84	0.63
Current Service Cost	4.09	3.54
(Benefit paid from the Fund)	(1.52)	(0.68)
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	(0.03)	-
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	1.20	0.27
Actuarial (Gains) / Losses on Obligations - Due to Experience	(1.90)	(0.59)
Present Value of Benefit Obligation at the End of the year	14.31	11.63

II) Change in the Fair Value of Plan Assets:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Fair Value of Plan Assets at the Beginning of the year	8.98	6.80
Expected Return on Plan Assets	0.65	0.51
Contributions by the Employer	3.08	2.64
Assets Transferred In / Acquisitions	-	-
(Benefit Paid from the Fund)	(1.52)	(0.68)
Actuarial Gains / (Losses) on Plan Assets - Due to Experience	0.60	(0.29)
Fair Value of Plan Assets at the End of the year	11.79	8.98

III) Actuarial (Gains) / Losses Recognized in the Profit and Loss Account:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Actuarial (Gains) / Losses on Obligation for the year	(0.73)	(0.32)
Actuarial (Gains) / Losses on Plan Asset for the year	(0.60)	0.29
Actuarial (Gains) / Losses Recognized in the Profit or Loss Account	(1.33)	(0.03)

IV) Actual Return on Plan Assets:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Expected Return on Plan Assets	0.65	0.51
Actuarial Gains / (Losses) on Plan Assets - Due to Experience	0.60	(0.29)
Actual Return on Plan Assets	1.25	0.22

V) Amount Recognized in the Balance Sheet:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
(Present Value of Benefit Obligation at the end of the year)	(14.31)	(11.63)
Fair Value of Plan Assets at the end of the year	11.79	8.98
Funded Status (Surplus / (Deficit))	(2.52)	(2.65)
Unrecognized Past Service Cost at the end of the year	-	-
Net (Liability) / Asset Recognized in the Balance Sheet	(2.52)	(2.65)

VI) Net Interest Cost:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Present Value of Benefit Obligation at the Beginning of the year	11.63	8.46
(Fair Value of Plan Assets at the Beginning of the year)	(8.98)	(6.81)
Net Liability / (Asset) at the Beginning	2.65	1.65
Interest Cost	0.84	0.63
(Expected Return on Plan Assets)	(0.65)	(0.51)
Net Interest Cost for Current Year	0.19	0.12

VII) Expenses Recognized in the Profit or Loss Account:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Current Service Cost	4.09	3.54
Net Interest Cost	0.19	0.13
Actuarial (Gains) / Losses	(1.33)	(0.03)
Past Service Cost - Vested Benefit Recognized During the year	-	-
Expenses Recognized in the Profit or Loss Account	2.95	3.64

VIII) Balance Sheet Reconciliation:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Opening Net Liability	2.65	1.65
Expense Recognized in Profit or Loss Account	2.95	3.64
Net Liability / (Asset) Transfer In	-	-
Net (Liability) / Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	(3.08)	(2.64)
Net Liability / (Asset) Recognized in the Balance Sheet	2.52	2.65

IX) Category of Assets:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalents	-	-
Insurance fund	11.79	8.98
Asset-Backed Securities	-	-
Structured Debt	-	-
Other	-	-
Total	11.79	8.98

Actuarial assumptions:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Expected Return on Plan Assets	6.73%	7.23%
Rate of Discounting	6.73%	7.23%
Rate of Salary Increase	7.64%	6.88%
Rate of Employee Turnover	7.00%	6.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)

Experience Adjustments:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Plan Assets	11.79	8.98
Defined Benefit Obligation	14.31	11.63
Surplus / (Deficit)	(2.52)	(2.65)
Experience adjustment gain / (loss) on plan assets	0.60	(0.29)
Experience adjustment gain / (loss) on plan liabilities	(1.90)	(0.59)

21. Related Party Transactions

Related Party Transactions in terms of AS-18 on “Related Party Disclosures” are disclosed below:

The below category includes only those related parties with whom transactions have occurred during the year and / or previous year.

1	Ultimate Parent	SBM Holdings Limited
2	Parent	SBM (Bank) Holdings Limited
3	Subsidiaries of Parent	SBM Bank (Mauritius) Limited SBM Bank (Kenya) Limited
4	Key Management Personnel	a. Board of Directors b. Managing Director & Chief Executive Officer – Mr. Ashish Vijayakar c. Chief Financial Officer – Mr. Saileshkumar Shah (resigned w.e.f. October 01, 2024), Mr. Sujit Kumar Pandey (Appointed as Interim Chief Financial Officer (“CFO”) w.e.f. October 01, 2024, and ceased to be Interim CFO w.e.f. December 18, 2024), Mr. Amit Jagdhari (Appointed as the Executive Director and Chief Financial Officer w.e.f. December 18, 2024) d. Company Secretary – Mr. Mehul Somaiya e. Head of Treasury – Mr. Mandar Pitale

Transactions during the FY 2024-25:

(₹ in Crore)

Particulars	Parent		Subsidiaries of the Parent		Key Management Personnel		Total	
	Outstanding	Maximum Balance	Outstanding	Maximum Balance	Outstanding	Maximum Balance	Outstanding	Maximum Balance
Liabilities								
Deposit	-	-	9.79	494.64	0.85	1.43	10.64	496.07
Borrowings	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
MTM loss on FX forwards	-	-	-	-	-	-	-	-
Other Payable	11.77	11.77	-	-	-	-	11.77	11.77
Total	11.77	11.77	9.79	494.64	0.85	1.43	22.41	507.84
Assets								
Lending	-	-	-	-	0.09	2.48	0.09	2.48
Balances with Bank	-	-	0.11	1.98	-	-	0.11	1.98
Interest receivable	-	-	-	-	-	-	-	-
MTM gain on FX forwards	-	-	-	-	-	-	-	-
Other Receivable	-	-	-	-	-	-	-	-
Total	-	-	0.11	1.98	0.09	2.48	0.20	4.46
Off Balance Sheet items								
FX Forwards	-	-	0.50	1,154.17	-	-	0.50	1,154.17
Total	-	-	0.50	1,154.17	-	-	0.50	1,154.17

(₹ in Crore)

Particulars	Parent	Subsidiaries of the Parent	Key Management Personnel	Total
Profit & Loss Account Items				
Interest Received	-	-	0.19	0.19
Other Income	10.75	-	-	10.75
Interest Paid	-	-	0.03	0.03
Fees Paid	-	-	1.30	1.30
Salary Cost	-	-	5.06	5.06
Management and other reimbursement expenses	6.14	-	-	6.14

Transactions during the FY 2023-2024:

(₹ in Crore)

Particulars	Parent		Subsidiaries of the Parent		Key Management Personnel		Total	
	Outstanding	Maximum Balance	Outstanding	Maximum Balance	Outstanding	Maximum Balance	Outstanding	Maximum Balance
Liabilities								
Deposit	-	-	41.60	688.04	11.13	13.16	52.73	701.20
Borrowings	-	-	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-	-	-
MTM loss on FX forwards	-	-	-	-	-	-	-	-
Payable to group	-	3.63	-	-	-	-	-	3.63
Total	-	3.63	41.60	688.04	11.13	13.16	52.73	704.83
Assets								
Lending	-	-	-	-	2.49	3.61	2.49	3.61
Balances with Bank	-	-	0.30	1.47	-	-	0.30	1.47
Interest receivable	-	-	-	-	0.26	0.26	0.26	0.26
MTM gain on FX forwards	-	-	-	-	-	-	-	-
Other Receivable	0.12	0.12	10.92	10.92	-	-	11.04	11.04
Total	0.12	0.12	11.22	12.39	2.75	3.87	14.09	16.38
Off Balance Sheet items								
FX Forwards	-	-	0.11	228.25	-	-	0.11	228.25
Total	-	-	0.11	228.25	-	-	0.11	228.25

(₹ in Crore)

Particulars	Parent	Subsidiaries of the Parent	Key Management Personnel	Total
Profit & Loss Account Items				
Interest Received	-	-	0.14	0.14
Other Income	-	10.92	-	10.92
Interest Paid	-	-	0.18	0.18
Fees Paid	-	-	2.18	2.18
Salary Cost	-	-	10.54	10.54
Management and other reimbursement expenses	6.86	-	-	6.86

22. Impairment of Assets

There is no impairment of any of the fixed assets and as such no provision is required as per AS-28 on "Impairment of Assets".

23. Earnings Per Share

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Net profit after tax	(87.20)	(43.25)
Weighted average number of equity shares outstanding (in absolute no.)	98,25,63,097	83,59,10,818
Basic and diluted earnings per share in ₹	(0.89)	(0.52)

24. Following disclosure is made as per the requirement of The Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
The principal amount remaining unpaid to any supplier	-	-
The interest due thereon (above principal amount) remaining unpaid to any supplier	-	-
The amount of interest paid by the buyer in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day for the year ended	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	-	-

25. Revaluation of Fixed Assets

The Bank computes depreciation on revalued premises over its estimated remaining useful life and accordingly an amount of ₹ 0.84 Crore (Previous Year: ₹ 0.84 Crore) has been accounted as depreciation and reduced from the Revaluation Reserve during FY 2024-25.

Revaluation was done in the FY 2022-23 and accordingly there was upward valuation in revaluation account amounting to ₹ 5.49 Crore.

26. Software capitalized under Fixed Assets

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Cost at beginning of the year (gross)	78.39	62.30
Additions during the year	24.37	16.09
Deductions during the year	0.00	0.00
Depreciation to date	74.99	57.31
Net Block	27.77	21.08

27. Disclosure on Remuneration to Non-executive Directors

The Non-Executive Independent Directors are paid remuneration by way of sitting fees for attending meetings of Board and its committees. An amount of ₹ 1.30 Crore (Previous Year: ₹ 2.18 Crore) was paid as sitting fees to the Non-Executive Independent Directors during the year.

28. Accounting for leases

(a) Financial lease

Bank has not entered into any financial lease in current year as well as previous year.

(b) Operating lease

The lease agreement entered into pertains to use of premises by the Corporate Office and Branches. There is no sub-lease arrangement.

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
1. Total future minimum lease payments as at year-end:	68.00	60.40
– Not later than one year	6.16	12.98
– Later than one year but not later than five years	25.82	27.71
– Later than five years	36.02	19.71
2. Lease payments recognised in the Profit and Loss Account in Schedule 16	17.23	17.91

29. Corporate Social Responsibility

Bank has constituted the Corporate Social Responsibility (CSR) Committee of the Board, in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended.

The details of CSR expenditure are given below:

(₹ in Crore)

Particulars	March 31, 2025	March 31, 2024
Amount required to be spent by the bank during the year	0.28	0.68
Amount of expenditure incurred	0.28	0.70
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	-	-
Nature of CSR activities	Poverty alleviation and measures to reduce inequalities, promotion of education and skills development among marginalized sections, promotion of livelihood enhancement projects targeting small and marginal farmers, sponsorship of day care centres and dementia support centers for senior citizens and promotion of essential nutrition for young children and mothers.	Promotion of healthcare and sanitation, poverty alleviation and measures to reduce inequalities, environmental sustainability and rural development.
Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	-	-
Movements in the provision during the year with respect to liability incurred by entering into a contractual obligation	-	-

30. CCapital Commitment

Capital Commitment outstanding as on March 31, 2025 amounts to ₹ 10.96 Crore. (Previous Year: ₹ 15.38 Crore).

31. Other expenditure

Details of expenses included in Other Expenditure in Schedule 16, exceeding 1% of the total income are set out below:

FY 2024-25

(₹ in Crore)

Particulars	Total
IT Expenses	72.22
Card Network Expense & ATM Charges	22.55

FY 2023-24

(₹ in Crore)

Particulars	Total
IT Expenses	62.75
Card Network Expense & ATM Charges	41.04
Referral Fees	12.95
Currency Note Handling Charges	9.62

32. Other liabilities (including provisions)

Details of others included in Other liabilities in Schedule 5.5, exceeding 1% of the total asset are set out below:

FY 2024-25

(₹ in Crore)

Particulars	Total
Unrealized loss on foreign exchange and derivative contract	98.71

As of March 31, 2024, there were no items under Schedule 5.5 which exceeded 1% of the total assets. (Previous Year: NIL)

33. Other Assets

Details of others included in Other Assets in Schedule 11, exceeding 1% of the total asset are set out below:

FY 2024-25

(₹ in Crore)

Particulars	Total
Unrealized gain on foreign exchange and derivative contract	143.98

FY 2023-24

(₹ in Crore)

Particulars	Total
Unrealized gain on foreign exchange and derivative contract	101.42
Settlement & Receivable balances	100.73

34. Other Income

Details of income included in under Schedule 14.8, exceeding 1% of the total income are set out below (Previous Year: NIL):

FY 2024-25

(₹ in Crore)

Particulars	Total
Income sharing on Recovery realization of NPA Case	10.05

FY 2023-24

(₹ in Crore)

Particulars	Total
Insurance claim against Cyber Fraud	10.92

35. During the financial year ended March 31, 2025, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines and internal policies, as applicable.

- (a) The Company has not granted any advance/loans or investments or provided guarantee or security or the like to any other person(s) or entities with an understanding, whether recorded in writing or otherwise, to further lend/invest/provide guarantee or security or the like to any other person on behalf of the company.
- (b) The Company has not received any funds from any person(s) or entities with an understanding, whether recorded in writing or otherwise, that the company shall further lend or invest or provide guarantee or security or the like in any other person on behalf of and identified by such person(s)/entities.

36. Previous year's figures have been regrouped / reclassified, wherever considered necessary, in order to make them comparable with figures for the current year.

For Gokhale & Sathe Chartered Accountants ICAI Firm Registration Number: 103264W	For SBM Bank (India) Limited	
Mr. Rahul Joglekar Partner ICAI Membership No. 129389	Mr. Ashish Vijayakar Managing Director & Chief Executive Officer	Mr. Amit Jagdhari Executive Director & Chief Financial Officer
Place: Mumbai Date: May 30, 2025	Mr. Mehul Somaiya Company Secretary	



SBM Bank (India) Ltd.

Regd. Office: 101, Raheja Centre, 1st Floor, Free Press Journal Marg, Nariman Point, Mumbai - 400021, Maharashtra, India

Corporate Office: 306-A, The Capital, G block, Bandra-Kurla Complex, Bandra East, Mumbai - 400021, Maharashtra

T: +91 022 4007 1500 | Toll free number: 1800 1033 817 | E: customercare@sbmbank.co.in | W: www.sbmbank.co.in

CIN No.: U65999MH2017FLC293229